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

FORM 10-Q

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

For the quarterly period ended September 30, 2017

OR

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

For the transition period from _____ to _____

Commission File Number 000-31293

EQUINIX, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State of incorporation)

77-0487526
(I.R.S. Employer
Identification No.)

One Lagoon Drive, Redwood City, California 94065
(Address of principal executive offices, including ZIP code)

(650) 598-6000
(Registrant's telephone number, including area code)

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) Yes No and (2) has been subject to such filing requirements for the past 90 days. Yes No

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

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

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

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

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

The number of shares outstanding of the registrant's Common Stock as of November 2, 2017 was 78,233,697.

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PART I - FINANCIAL INFORMATION

Item 1. Condensed Consolidated Financial Statements

EQUINIX, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(in thousands, except share and per share data)

	September 30, 2017	December 31, 2016
	(Unaudited)	
Assets		
Current assets:		
Cash and cash equivalents	\$ 1,599,988	\$ 748,476
Short-term investments	29,572	3,409
Accounts receivable, net	597,242	396,245
Other current assets	217,006	319,396
Total current assets	2,443,808	1,467,526
Long-term investments	10,885	10,042
Property, plant and equipment, net	9,006,171	7,199,210
Goodwill	4,226,490	2,986,064
Intangible assets, net	2,335,175	719,231
Other assets	285,967	226,298
Total assets	\$ 18,308,496	\$ 12,608,371
Liabilities and Stockholders' Equity		
Current liabilities:		
Accounts payable and accrued expenses	\$ 657,229	\$ 581,739
Accrued property, plant and equipment	205,444	144,842
Current portion of capital lease and other financing obligations	60,201	101,046
Current portion of mortgage and loans payable	84,455	67,928
Other current liabilities	149,295	133,140
Total current liabilities	1,156,624	1,028,695
Capital lease and other financing obligations, less current portion	1,612,188	1,410,742
Mortgage and loans payable, less current portion	2,551,510	1,369,087
Senior notes	5,717,276	3,810,770
Other liabilities	728,681	623,248
Total liabilities	11,766,279	8,242,542
Commitments and contingencies (Note 10)		
Stockholders' equity:		
Common stock, \$0.001 par value per share: 300,000,000 shares authorized; 78,233,670 and 71,409,015 shares outstanding	79	72
Additional paid-in capital	9,718,580	7,413,519
Treasury stock, at cost; 402,575 and 408,415 shares	(146,369)	(147,559)
Accumulated dividends	(2,433,600)	(1,969,645)
Accumulated other comprehensive loss	(783,947)	(949,142)
Retained earnings	187,474	18,584
Total stockholders' equity	6,542,217	4,365,829
Total liabilities and stockholders' equity	\$ 18,308,496	\$ 12,608,371

See accompanying notes to condensed consolidated financial statements.

EQUINIX, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(in thousands, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
	(Unaudited)			
Revenues	\$ 1,152,261	\$ 924,676	\$ 3,168,207	\$ 2,669,342
Costs and operating expenses:				
Cost of revenues	582,360	470,302	1,573,524	1,354,949
Sales and marketing	157,619	110,936	428,112	325,358
General and administrative	185,336	181,239	558,090	515,605
Acquisition costs	2,083	12,505	31,510	64,635
Impairment charges	—	7,698	—	7,698
Gains on asset sales	—	(27,945)	—	(33,187)
Total costs and operating expenses	927,398	754,735	2,591,236	2,235,058
Income from continuing operations	224,863	169,941	576,971	434,284
Interest income	2,291	762	9,820	2,528
Interest expense	(121,828)	(92,200)	(352,554)	(293,395)
Other income (expense)	(1,076)	2,938	545	(56,217)
Loss on debt extinguishment	(22,156)	(9,894)	(42,103)	(10,499)
Income from continuing operations before income taxes	82,094	71,547	192,679	76,701
Income tax expense	(2,194)	(22,778)	(24,912)	(25,957)
Net income from continuing operations	79,900	48,769	167,767	50,744
Net income from discontinued operations, net of tax	—	2,681	—	14,306
Net income	\$ 79,900	\$ 51,450	\$ 167,767	\$ 65,050
Earnings per share ("EPS"):				
Basic EPS from continuing operations	\$ 1.02	\$ 0.69	\$ 2.20	\$ 0.73
Basic EPS from discontinued operations	—	0.04	—	0.21
Basic EPS	\$ 1.02	\$ 0.73	\$ 2.20	\$ 0.94
Weighted-average shares	78,055	71,190	76,283	69,689
Diluted EPS from continuing operations	\$ 1.02	\$ 0.68	\$ 2.18	\$ 0.72
Diluted EPS from discontinued operations	—	0.04	—	0.20
Diluted EPS	\$ 1.02	\$ 0.72	\$ 2.18	\$ 0.92
Weighted-average shares for diluted EPS	78,719	71,908	76,948	70,389
Cash dividends declared per common share	\$ 2.00	\$ 1.75	\$ 6.00	\$ 5.25

See accompanying notes to condensed consolidated financial statements.

EQUINIX, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(in thousands)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
	(Unaudited)			
Net income	\$ 79,900	\$ 51,450	\$ 167,767	\$ 65,050
Other comprehensive income (loss), net of tax:				
Foreign currency translation adjustment ("CTA") gain (loss)	100,909	(32,603)	408,830	(215,065)
Net investment hedge CTA gain (loss)	(60,723)	(34,721)	(191,121)	4,163
Unrealized gain (loss) on available-for-sale securities, net of tax effects of \$(108), \$(693), \$(178) and \$(1,113)	245	1,487	(85)	2,382
Unrealized gain (loss) on cash flow hedges, net of tax effects of \$4,379, \$1,384, \$17,670 and \$(1,263)	(13,070)	(4,153)	(52,468)	3,789
Net actuarial gain on defined benefit plans, net of tax effects of \$(4), \$(3), \$(14) and \$(9)	13	7	39	21
Total other comprehensive income (loss), net of tax	27,374	(69,983)	165,195	(204,710)
Comprehensive income (loss), net of tax	\$ 107,274	\$ (18,533)	\$ 332,962	\$ (139,660)

See accompanying notes to condensed consolidated financial statements.

EQUINIX, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(in thousands)

	Nine Months Ended September 30,	
	2017	2016
(Unaudited)		
Cash flows from operating activities:		
Net income	\$ 167,767	\$ 65,050
Adjustments to reconcile net income to net cash provided by operating activities:		
Depreciation	622,135	534,026
Stock-based compensation	129,602	115,730
Amortization of intangible assets	128,068	93,384
Amortization of debt issuance costs and debt discounts	20,100	13,709
Provision for allowance for doubtful accounts	6,889	6,541
Impairment charges	—	7,698
Gain on asset sales	—	(33,187)
Gain on sale of discontinued operations	—	(4,242)
Loss on debt extinguishment	42,103	10,499
Other items	3,437	14,843
Changes in operating assets and liabilities:		
Accounts receivable	(202,430)	(72,807)
Income taxes, net	(53,608)	1,021
Accounts payable and accrued expenses	44,952	(11,526)
Other assets and liabilities	35,339	(22,004)
Net cash provided by operating activities	<u>944,354</u>	<u>718,735</u>
Cash flows from investing activities:		
Purchases of investments	(57,926)	(31,736)
Sales and maturities of investments	32,867	41,796
Business acquisitions, net of cash and restricted cash acquired	(3,628,526)	(1,767,227)
Purchases of real estate	(64,964)	(28,118)
Purchases of other property, plant and equipment	(946,048)	(727,044)
Proceeds from sale of assets	47,767	828,197
Net cash used in investing activities	<u>(4,616,830)</u>	<u>(1,684,132)</u>
Cash flows from financing activities:		
Proceeds from employee equity awards	41,625	34,143
Payment of dividends	(463,914)	(374,151)
Proceeds from public offering of common stock, net of offering costs	2,126,341	—
Proceeds from senior notes	2,449,700	—
Proceeds from loans payable	1,059,800	710,404
Repayments of capital lease and other financing obligations	(60,252)	(100,863)
Repayments of convertible debt, mortgage, and loans payable	(63,520)	(986,465)
Repayment of senior notes	(500,000)	—
Debt extinguishment costs	(23,020)	(10,181)
Debt issuance costs	(56,886)	(11,751)
Other financing activities	(900)	—
Net cash provided by (used) in financing activities	<u>4,508,974</u>	<u>(738,864)</u>
Effect of foreign currency exchange rates on cash, cash equivalents and restricted cash	26,450	13,130
Change in cash balances included in assets held for sale	—	(3,755)
Net increase (decrease) in cash, cash equivalents and restricted cash	<u>862,948</u>	<u>(1,694,886)</u>
Cash, cash equivalents and restricted cash at beginning of period	773,247	2,718,427
Cash, cash equivalents and restricted cash at end of period	<u>\$ 1,636,195</u>	<u>\$ 1,023,541</u>
Cash and cash equivalents		
Cash and cash equivalents	\$ 1,599,988	\$ 987,915
Current portion of restricted cash included in other current assets	25,079	25,305
Non-current portion of restricted cash included in other assets	11,128	10,321
Total cash, cash equivalents, and restricted cash shown in the condensed consolidated statement of cash flows	<u>\$ 1,636,195</u>	<u>\$ 1,023,541</u>

See accompanying notes to condensed consolidated financial statements.

EQUINIX, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Basis of Presentation and Significant Accounting Policies

Basis of Presentation

The accompanying unaudited condensed consolidated financial statements have been prepared by Equinix, Inc. ("Equinix" or the "Company") and reflect all adjustments, consisting only of normal recurring adjustments, which in the opinion of management are necessary to fairly state the financial position and the results of operations for the interim periods presented. The condensed consolidated balance sheet data as of December 31, 2016 has been derived from audited consolidated financial statements as of that date. The condensed consolidated financial statements have been prepared in accordance with the regulations of the Securities and Exchange Commission ("SEC"), but omit certain information and footnote disclosure necessary to present the statements in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP"). For further information, refer to the Consolidated Financial Statements and Notes thereto included in Equinix's Form 10-K as filed with the SEC on February 27, 2017. Results for the interim periods are not necessarily indicative of results for the entire fiscal year.

Consolidation

The accompanying unaudited condensed consolidated financial statements include the accounts of Equinix and its subsidiaries, including the acquisitions of certain Verizon data center assets from May 1, 2017, the IO UK data center operating business from February 3, 2017, the Paris International Business Exchange™ ("IBX") data center from August 1, 2016 and Teleticity Group plc ("TeleticityGroup") from January 15, 2016. All significant intercompany accounts and transactions have been eliminated in consolidation.

Income Taxes

The Company began operating as a real estate investment trust for U.S. federal income tax purposes ("REIT") effective January 1, 2015, and thereafter received a favorable private letter ruling ("PLR") from the U.S. Internal Revenue Service ("IRS") that validated the Company's position with respect to specified REIT compliance matters. As a result, the Company may deduct the distributions made to its stockholders from taxable income generated by the operations of the Company parent and its qualified REIT subsidiaries ("QRSs"). The Company's dividends paid deduction generally eliminates the U.S. taxable income of the Company parent and its QRSs, resulting in no U.S. income tax due. However, the Company's taxable REIT subsidiaries ("TRSs") will continue to be subject to income taxes on any taxable income generated by them. In addition, the foreign operations of the Company will continue to be subject to local income taxes regardless of whether the foreign operations are operated as a QRS or TRS.

The Company provides for income taxes during interim periods based on the estimated effective tax rate for the year. The effective tax rate is subject to change in the future due to various factors such as the operating performance of the Company, tax law changes and future business acquisitions.

The Company's effective tax rates were 12.9% and 33.8% for the nine months ended September 30, 2017 and 2016, respectively. The decrease in effective tax rate is primarily driven by the realization of unrecognized tax benefits in the current period related to the Company's tax positions as a result of the expiration of a statute of limitations.

Assets Held for Sale and Discontinued Operations

Assets and liabilities to be disposed of that meet all of the criteria to be classified as held for sale as set forth in the accounting standard for impairment or disposal of long-lived assets are reported at the lower of their carrying amounts or fair values less costs to sell. Assets are not depreciated or amortized while they are classified as held for sale. A component of a reporting entity or a group of components of a reporting entity that are disposed or meet the criteria to be classified as held for sale should be reported in discontinued operations if the disposal represents a strategic shift that has (or will have) a major effect on an entity's operations and financial results. The accounting guidance requires a business activity that, on acquisition, meets the criteria to be classified as held for sale be reported as a discontinued operation. For further information on the Company's assets held for sale and discontinued operations, see Notes 4 and 5.

Reclassifications

Certain amounts in prior periods have been reclassified to conform to current period presentation.

EQUINIX, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

Recent Accounting Pronouncements*Accounting Standards Not Yet Adopted*

In August 2017, Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2017-12 Derivatives and Hedging (Topic 815): Targeted Improvements to Accounting for Hedging Activities. This ASU was issued to improve the financial reporting of hedging relationships to better portray the economic results of an entity's risk management activities in its financial statements and to simplify the application of the hedge accounting guidance in current GAAP. This ASU permits hedge accounting for risk components involving nonfinancial risk and interest rate risk, requires an entity to present the earnings effect of the hedging instrument in the same income statement line item in which the hedged item is reported, no longer requires separate measurement and reporting of hedge ineffectiveness, eases the requirement for hedge effectiveness assessment, and requires a tabular disclosure related to the effect on the income statement of fair value and cash flow hedges. This ASU is effective for annual or any interim reporting periods beginning after December 15, 2018 with early adoption permitted. The Company is currently evaluating the impact that the adoption of this standard will have on its consolidated financial statements.

In May 2017, FASB issued ASU No. 2017-09 Compensation—Stock Compensation (Topic 718). This ASU was issued primarily to provide clarity and reduce both diversity in practice and cost and complexity when applying the guidance in Topic 718 to a change to the terms or conditions of a share-based payment award. This ASU affects any entity that changes the terms or conditions of a share-based payment award. This ASU provides guidance about which changes to the terms or conditions of a share-based payment award require an entity to apply modification accounting in Topic 718. This ASU is effective for annual or any interim reporting periods beginning after December 15, 2017 with early adoption permitted. The adoption of ASU 2017-09 is not expected to have a significant impact on its consolidated financial statements.

In March 2017, FASB issued ASU No. 2017-07 Compensation—Retirement Benefits (Topic 715). This ASU was issued primarily to improve the presentation of net periodic pension cost and net periodic post-retirement benefit cost. This ASU requires that an employer reports the service cost component in the same line item or items as other compensation costs arising from services rendered by the pertinent employees during the period. It also requires the other components of net periodic pension cost and net periodic post-retirement benefit cost to be presented in the income statement separately from the service cost component and outside a subtotal of income from operations, if one is presented. Additionally, only the service cost component is eligible for capitalization, when applicable. This ASU is effective for annual or any interim reporting periods beginning after December 15, 2017. While the Company is currently evaluating the impact that the adoption of this standard will have on its consolidated financial statements, the Company does not expect the adoption of ASU 2017-07 to have a significant impact on its consolidated financial statements due, in part, to the immateriality of a retirement benefit plan it holds.

In February 2017, FASB issued ASU No. 2017-05 Other Income—Gains and Losses from the Derecognition of Non-financial Assets (Subtopic 610-20). This ASU is to clarify the scope of the non-financial asset guidance in Subtopic 610-20 and to add guidance for partial sales of non-financial assets. This ASU defines the term in substance non-financial asset and clarifies that non-financial assets within the scope of Subtopic 610-20 may include non-financial assets transferred within a legal entity to a counterparty. The ASU also provides guidance on the accounting for what often are referred to as partial sales of non-financial assets within the scope of Subtopic 610-20 and contributions of non-financial assets to a joint venture or other non-controlled investee. This ASU is effective for annual or any interim reporting periods beginning after December 15, 2017. Early adoption is permitted for interim or annual reporting periods beginning after December 15, 2016. The Company is currently evaluating the impact that the adoption of this standard will have on its consolidated financial statements, but does not expect to early adopt this ASU.

In January 2017, FASB issued ASU No. 2017-04 Intangibles - Goodwill and Other (Topic 350): Simplifying the Test for Goodwill Impairment. This ASU is to simplify the subsequent measurement of goodwill. The ASU eliminates step 2 from the goodwill impairment test and the requirements for any reporting unit with a zero or negative carrying amount to perform a qualitative assessment and, if it fails that qualitative test, to perform step 2 of the goodwill impairment test. An entity still has the option to perform the qualitative assessment for a reporting unit to determine if the quantitative impairment test is necessary. This ASU should be applied on a prospective basis. This ASU is effective for the Company for its annual or any interim goodwill impairment tests in fiscal years beginning after December 15, 2019. Early adoption is permitted for interim or annual goodwill impairment tests performed on testing dates after January 1, 2017. The Company is currently evaluating the impact that the adoption of this standard will have on its consolidated financial statements.

In January 2017, FASB issued ASU No. 2017-01, Business Combinations (Topic 805): Clarifying the Definition of a Business. The ASU provides new guidance to assist entities with evaluating when a set of transferred assets and activities is a business. The

EQUINIX, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

definition of a business affects many areas of accounting including acquisitions, disposals, goodwill, and consolidation. The ASU is effective for annual periods beginning after December 15, 2017, including interim periods within those periods with early adoption being permitted. The Company is currently evaluating the impact that the adoption of this standard will have on its consolidated financial statements and expects to adopt the standard prospectively on January 1, 2018.

In October 2016, FASB issued ASU 2016-16, Income Taxes (Topic 740): Intra-Entity Transfers of Assets Other Than Inventory. This ASU requires the recognition of the income tax consequences of an intra-entity transfer of an asset other than inventory when the transfer occurs. This ASU is effective for fiscal years and interim period within those fiscal years, beginning after December 15, 2017, with early adoption permitted. The Company is currently evaluating the impact that the adoption of this standard will have on its consolidated financial statements.

In June 2016, FASB issued ASU 2016-13, Financial Instruments - Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. The ASU requires the measurement of all expected credit losses for financial assets held at the reporting date based on historical experience, current conditions, and reasonable and supportable forecasts. The ASU requires enhanced disclosures to help investors and other financial statement users better understand significant estimates and judgments used in estimating credit losses, as well as the credit quality and underwriting standards of an organization's portfolio. These disclosures include qualitative and quantitative requirements that provide additional information about the amounts recorded in the financial statements. In addition, the ASU amends the accounting for credit losses on available-for-sale debt securities and purchased financial assets with credit deterioration. The ASU is effective for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2019, with early adoption permitted for all organizations for fiscal years, and interim periods within those fiscal years, beginning after December 15, 2018. The Company expects this ASU to impact its accounts receivable and is currently evaluating the extent of the impact that the adoption of this ASU will have on its consolidated financial statements.

In February 2016, the FASB issued ASU 2016-02, Leases (Topic 842) ("ASU 2016-02"). In September 2017, the FASB issued ASU 2017-13 ("ASU 2017-13"), which provides additional implementation guidance on the previously issued ASU 2016-02. Under the new guidance, lessees will be required to recognize the following for all leases (with the exception of short-term leases) at the commencement date: (1) a lease liability, which is a lessee's obligation to make lease payments arising from a lease, measured on a discounted basis; and (2) a right-of-use asset, which is an asset that represents the lessee's right to use, or control the use of, a specified asset for the lease term. The new lease guidance simplified the accounting for sale and leaseback transactions primarily because lessees must recognize lease assets and lease liabilities. Lessees (for capital and operating leases) and lessors (for sales-type, direct financing, and operating leases) must apply a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. The modified retrospective approach would not require any transition accounting for leases that expired before the earliest comparative period presented. Lessees and lessors may not apply a full retrospective transition approach. The ASU is effective for fiscal years beginning after December 15, 2018, including interim periods within those fiscal years, with early adoption permitted. The Company continues to assess the impact of adopting this standard will have on its consolidated financial statements and believes the ASU will have a significant impact on its consolidated financial statements due, in part, to the substantial amount of leases it has. The Company expects to record a significant increase in assets and liabilities on the consolidated balance sheet at adoption due to the recording of right-of-use assets and corresponding lease liabilities.

In January 2016, the FASB issued ASU 2016-01, Financial Instruments- Overall (Subtopic 825-10) ("ASU 2016-01"), which requires all equity investments to be measured at fair value with changes in the fair value recognized through net income other than those accounted for under equity method of accounting or those that result in consolidation of the investees. The ASU also requires that an entity present separately in other comprehensive income the portion of the total change in the fair value of a liability resulting from a change in the instrument-specific credit risk when the entity has elected to measure the liability at fair value in accordance with the fair value option for financial instruments. In addition, the ASU eliminates the requirement to disclose the fair value of financial instruments measured at amortized cost for entities that are not public business entities and the requirement to disclose the method(s) and significant assumptions used to estimate the fair value that is required to be disclosed for financial instruments measured at amortized cost on the balance sheet for public business entities. ASU 2016-01 is effective for fiscal years beginning after December 15, 2017, including interim periods within those fiscal years. The Company currently holds publicly traded equity securities that are classified as "available-for-sale" and are carried at fair value with unrealized gains and losses reported in stockholders' equity as a component of accumulated other comprehensive income (loss). Upon the adoption of this ASU, the unrealized gains and losses will be recognized through net income. The Company has not elected to measure its financial liabilities at fair value therefore, does not expect to have an impact on the accounting for its financial liabilities. The Company is currently evaluating the impact that the adoption of this standard will have on its consolidated financial statements.

EQUINIX, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

In May 2014, the FASB issued ASU 2014-09, Revenue from Contracts with Customers ("ASU 2014-09") Topic 606 and issued subsequent amendments to the initial guidance with ASU 2015-14, ASU 2016-08, ASU 2016-10, ASU 2016-11, ASU 2016-12, ASU 2016-20 and ASU 2017-13, collectively referred as "Topic 606." Topic 606 will replace most existing revenue recognition guidance in U.S. GAAP. The core principle of Topic 606 is that an entity should recognize revenue for the transfer of goods or services equal to the amount that it expects to be entitled to receive for those goods or services. Topic 606 requires additional disclosure about the nature, amount, timing and uncertainty of revenue and cash flows arising from customer contracts, including significant judgments and changes in judgments.

Topic 606 allows entities to adopt with one of these two methods: full retrospective, which applies retrospectively to each prior reporting period presented, or modified retrospective, which recognizes the cumulative effect of initially applying the revenue standard as an adjustment to the opening balance of retained earnings in the period of initial application. The Company currently anticipates adopting the standard using the modified retrospective method.

Topic 606, as amended, is effective for annual reporting periods beginning after December 15, 2017, including interim reporting periods therein (i.e. January 1, 2018, for a calendar year entity). Early application is permitted only as of annual reporting periods beginning after December 15, 2016, including interim reporting periods within that reporting period. The Company will adopt the standard on January 1, 2018.

While the Company is continuing to evaluate all potential impacts of the standard, the Company believes the most significant impact relates to its accounting for installation revenue and the cost to obtain contracts. Under the new standard, the Company expects to recognize installation revenue over the contract period rather than over the estimated installation life. Under the new standard, the Company is also required to capitalize and amortize certain costs to obtain contracts. Therefore, these costs to obtain contracts will not be immediately expensed, but will be capitalized and amortized.

Furthermore, the Company is making investments in systems and processes and designing operational and internal control structural changes in order to report under the new standard.

Accounting Standards Adopted

In January 2017, FASB issued ASU No. 2017-03, Accounting Changes and Error Corrections (Topic 250). The ASU adds SEC disclosure requirements for both the quantitative and qualitative impacts that certain recently issued accounting standards will have on the financial statements of a registrant when such standards are adopted in a future period. Specially, these disclosure requirements apply to the adoption of ASU No. 2014-09, Revenue from Contracts with Customers (Topic 606); ASU No. 2016-02, Leases (Topic 842); and ASU No. 2016-13, Financial Instruments-Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments. This ASU is effective immediately. The Company adopted ASU 2017-03 in the three months ended March 31, 2017 by including appropriate disclosure requirements within its condensed consolidated financial statements to adhere to this new ASU.

In December 2016, FASB issued ASU No. 2016-19, Technical Corrections and Improvements. This ASU covers a wide range of Topics in the Accounting Standards Codification. Certain aspects of this ASU were effective immediately, while a few of the corrections are effective for the Company for its fiscal years beginning after December 15, 2016, and interim periods within those fiscal years. The Company adopted ASU 2016-19 in the three months ended March 31, 2017. The adoption of ASU 2016-19 did not impact the Company's condensed consolidated financial statements.

In November 2016, FASB issued ASU No. 2016-18, Statement of Cash Flows (Topic 230): Restricted Cash. This ASU applies to all entities that have restricted cash or restricted cash equivalents and are required to present a statement of cash flows. The ASU requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash or restricted cash equivalents. As a result, amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. This ASU is effective for the Company for its fiscal years beginning after December 15, 2017, and interim periods within those fiscal years with early adoption being permitted. This ASU should be applied using a retrospective transition method to each period presented. The Company adopted ASU 2016-18 in the three months ended March 31, 2017 and applied this ASU retrospectively to the periods presented in the Company's condensed consolidated statements of cash flows. As a result, net cash used in investing activities for the nine months ended September 30, 2016 was adjusted to exclude the change in restricted cash and increased the previously reported amount by \$444.4 million. Restricted cash amounts are primarily time deposits or cash set aside as a pledge for our mortgage loan in Germany, an escrow

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account for a data center project and collateral for the Company's various bank guarantees for the periods ended September 30, 2017 and 2016.

In October 2016, FASB issued ASU No. 2016-17, Consolidation (Topic 810): Interests Held through Related Parties That Are under Common Control. This ASU alters how a decision maker needs to consider indirect interests in a variable interest entity ("VIE") held through an entity under common control. Under this ASU, if a decision maker is required to evaluate whether it is the primary beneficiary of a VIE, it will need to consider only its proportionate indirect interest in the VIE held through a common control party. This ASU is effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years, with early adoption permitted. The Company adopted ASU 2016-17 in the three months ended March 31, 2017. The adoption of this standard did not impact the Company's condensed consolidated financial statements as it does not hold any interests in a VIE through related parties that are under common control.

In August 2016, FASB issued ASU 2016-15, Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments. This ASU provides guidance on the classification of eight cash flow issues to reduce the existing diversification in practice, including (a) debt prepayment or debt extinguishment costs; (b) settlement of zero-coupon debt instruments or other debt instruments with coupon interest rates that are insignificant in relation to the effective interest rate of the borrowing; (c) contingent consideration payments made after a business combination; (d) proceeds from settlement of insurance claims; (e) proceeds from the settlement of corporate-owned life insurance policies, including bank-owned life insurance policies; (f) distributions received from equity method investees; (g) beneficial interests in securitization transactions; and (h) separately identifiable cash flows and application of the predominance principle. The ASU is effective for fiscal years and interim period within those fiscal years, beginning after December 15, 2017, with early adoption permitted. The Company adopted ASU 2016-15 in the three months ended March 31, 2017 and applied this ASU using a retrospective transition method to each period presented in the Company's condensed consolidated statements of cash flows. The adoption of ASU 2016-15 did not impact the Company's condensed consolidated statements of cash flows.

In March 2016, the FASB issued ASU 2016-09, Compensation - Stock Compensation (Topic 718): Improvements to Employee Share-Based Payment Accounting ("ASU 2016-09"). This ASU simplifies several areas of the accounting for share-based payment award transactions, including (a) income tax consequences; (b) classification of awards as either equity or liabilities; and (c) classification on the statement of cash flows. This ASU is effective for annual periods beginning after December 15, 2016, and interim periods within those annual periods, with early adoption permitted. The Company adopted ASU 2016-09 in the three months ended March 31, 2017. Beginning on January 1, 2017, the Company began to record the excess tax benefits from stock-based compensation as income tax expense through the statement of operations instead of additional paid-in capital as required under the previous guidance. There was no adjustment to excess tax benefits from stock-based compensation recorded as additional paid-in capital in prior years. Excess tax benefits that were not previously recognized, as well as a valuation allowance recognized for deferred tax assets as a result of the adoption of this ASU, were recorded on a modified retrospective basis through a cumulative-effect adjustment to retained earnings as of the beginning of 2017 totaling \$1.1 million. As a part of the adoption of this ASU, stock compensation awards will have more dilutive effect on the Company's earnings per share prospectively.

Under this guidance, cash flows related to excess tax benefits will no longer be separately classified as financing activities apart from other income tax cash flow. The Company elected to apply this part of the guidance retrospectively, which resulted in a change of \$1.5 million in both net cash provided by operating activities and net cash used in financing activities in the Company's condensed consolidated statement of cash flows for the nine months ended September 30, 2016 to conform with the current period presentation. Additionally, this guidance permits entities to make an accounting policy to estimate forfeitures each period or to account for forfeitures as they occur. The Company elected to continue to estimate forfeitures.

In March 2016, the FASB issued ASU 2016-06, Derivatives and Hedging (Topic 815), Contingent Put and Call Options in Debt Instruments ("ASU 2016-06"). This ASU clarifies the requirements for assessing whether contingent call (put) options that can accelerate the payment of principal on debt instruments are clearly and closely related to their debt hosts. An entity performing the assessment under the amendments in this ASU is required to assess the embedded call (put) options solely in accordance with the four-step decision sequence. This guidance is to be applied on a modified retrospective basis to existing debt instruments as of the beginning of the fiscal year in which the amendments are effective, and is effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. The Company adopted ASU 2016-06 in the three months ended March 31, 2017. The adoption of this standard did not impact the Company's condensed consolidated financial statements.

In March 2016, the FASB issued ASU 2016-05, Derivatives and Hedging (Topic 815), Effect of Derivative Contract Novations on Existing Hedge Accounting Relationships ("ASU 2016-05"). This ASU clarifies that a change in the counterparty to a derivative instrument that has been designated as a hedging instrument under Topic 815 does not, in and of itself, require redesignation of

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that hedging relationship provided that all other hedge accounting criteria continue to be met. This ASU may be applied prospectively or using a modified retrospective approach, and is effective for fiscal years beginning after December 15, 2016, including interim periods within those fiscal years. The Company adopted ASU 2016-05 in the three months ended March 31, 2017. The adoption of ASU 2016-05 did not impact the Company's condensed consolidated financial statements.

2. Earnings Per Share

The following table sets forth the computation of basic and diluted earnings per share ("EPS") for the periods presented (in thousands, except per share amounts):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Net income:				
Net income from continuing operations	\$ 79,900	\$ 48,769	\$ 167,767	\$ 50,744
Net income from discontinued operations	—	2,681	—	14,306
Net income	<u>\$ 79,900</u>	<u>\$ 51,450</u>	<u>\$ 167,767</u>	<u>\$ 65,050</u>
Weighted-average shares used to calculate basic EPS	78,055	71,190	76,283	69,689
Effect of dilutive securities:				
Employee equity awards	664	718	665	700
Weighted-average shares used to calculate diluted EPS	<u>78,719</u>	<u>71,908</u>	<u>76,948</u>	<u>70,389</u>
Basic EPS:				
Continuing operations	\$ 1.02	\$ 0.69	\$ 2.20	\$ 0.73
Discontinued operations	—	0.04	—	0.21
Basic EPS	<u>\$ 1.02</u>	<u>\$ 0.73</u>	<u>\$ 2.20</u>	<u>\$ 0.94</u>
Diluted EPS:				
Continuing operations	\$ 1.02	\$ 0.68	\$ 2.18	\$ 0.72
Discontinued operations	—	0.04	—	0.20
Diluted EPS	<u>\$ 1.02</u>	<u>\$ 0.72</u>	<u>\$ 2.18</u>	<u>\$ 0.92</u>

The following table sets forth weighted-average outstanding potential shares of common stock that are not included in the diluted EPS calculation above because to do so would be anti-dilutive for the periods indicated (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Shares reserved for conversion of 4.75% convertible subordinated notes	—	—	—	1,193
Common stock related to employee equity awards	73	22	88	17
Total	<u>73</u>	<u>22</u>	<u>88</u>	<u>1,210</u>

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3. Acquisitions

Certain Verizon Data Center Assets Acquisition

On May 1, 2017, the Company completed the acquisition of certain colocation business from Verizon Communications Inc. ("Verizon") consisting of 29 data center buildings located in the United States, Brazil and Colombia, for a cash purchase price of approximately \$3.6 billion (the "Verizon Data Center Acquisition"). The Company funded the Verizon Data Center Acquisition with proceeds of debt and equity financings, which closed in January and March 2017 (See further discussions on the term loan borrowing and senior notes issuance in Note 9 and common stock issuance in Note 11). The Verizon Data Center Acquisition constitutes a business under the accounting standard for business combinations and therefore was accounted for as a business combination using the acquisition method of accounting.

In connection with the Verizon Data Center Acquisition, the Company entered into a commitment letter (the "Commitment Letter"), dated December 6, 2016, pursuant to which JPMorgan Chase Bank, N.A., Bank of America, N.A. and Merrill Lynch, Pierce, Fenner & Smith Incorporated committed to provide a senior unsecured bridge facility in an aggregate principal amount of \$2.0 billion for the purposes of funding a portion of the cash consideration for the Verizon Data Center Acquisition and the fees and expenses incurred in connection with the Verizon Data Center Acquisition. Following the completion of the debt and equity financings associated with the Verizon Data Center Acquisition in March 2017, the Company terminated the Commitment Letter. See further discussions on the senior notes issuance in Note 9 and common stock issuance in Note 11. The Company paid \$10.0 million of commitment fees associated with the Commitment Letter and recorded \$2.2 million for the year ended December 31, 2016 and \$7.8 million for the nine months ended September 30, 2017 to interest expense in the condensed consolidated statements of operations.

The Company included the Verizon Data Center Acquisition's results of operations from May 1, 2017 in its condensed consolidated statements of operations and the estimated fair value of assets acquired and liabilities assumed in its condensed consolidated balance sheets beginning May 1, 2017. The Company incurred acquisition costs of approximately \$1.2 million and \$27.6 million during the three and nine months ended September 30, 2017, respectively.

Purchase Price Allocation

Under the acquisition method of accounting, the total purchase price is allocated to the assets acquired and liabilities assumed measured at fair value on the date of acquisition. As of September 30, 2017, the Company has not completed the detailed valuation analysis to derive the fair value of the following items including but not limited to, property, plant and equipment, intangible assets and deferred taxes. Therefore, the allocation of the purchase price to assets acquired and liabilities assumed is based on provisional estimates and is subject to continuing management analysis, with assistance from third party valuation advisers. As of September 30, 2017, the Company has updated the preliminary allocation of purchase price for the Verizon Data Center Acquisition from the provisional amounts reported as of June 30, 2017 and the adjustments made during the three months ended September 30, 2017 were not significant. The adjustments in fair value of acquired assets and liabilities assumed did not have a significant impact on the Company's condensed consolidated statements of operations for the three months ended September 30, 2017.

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The Company may further adjust these amounts as valuations are finalized and the Company obtains information necessary to complete the analyses, but no later than one year from the acquisition date. The preliminary purchase price allocation is as follows (in thousands):

Cash and cash equivalents	\$ 1,073
Accounts receivable	319
Other current assets	7,319
Property, plant, and equipment	841,401
Intangible assets ⁽¹⁾	1,706,100
Goodwill	1,083,789
Total assets acquired	3,640,001
Accounts payable and accrued liabilities	(1,725)
Other current liabilities	(320)
Capital lease and other financing obligations	(17,659)
Deferred tax liabilities	(19,544)
Other liabilities	(6,067)
Net assets acquired	\$ 3,594,686

(1) The nature of the intangible assets acquired is customer relationships with an estimated useful life of 15 years. Included in this amount is a customer relationship intangible asset for Verizon totaling \$246.1 million. Pursuant to the acquisition agreement, the Company formalized agreements to provide pre-existing space and services to Verizon at the acquired data centers.

The fair value of customer relationships was estimated by applying an income approach. The fair value was determined by calculating the present value of estimated future operating cash flows generated from existing customers less costs to realize the revenue. The Company applied discount rates ranging from 7.7% to 14.4%, which reflected the nature of the assets as they relate to the risk and uncertainty of the estimated future operating cash flows. Other significant assumptions used to estimate the fair value of customer relationships include projected revenue growth, customer attrition rates, sales and marketing expenses and operating margins. The fair value measurements were based on significant inputs that are not observable in the market and thus represent Level 3 measurements as defined in the accounting standard for fair value measurements.

The fair value of property, plant and equipment was estimated by applying the cost approach. The cost approach is to use the replacement or reproduction cost as an indicator of fair value. The premise of the cost approach is that a market participant would pay no more for an asset than the amount for which the asset could be replaced or reproduced. The key assumptions of the cost approach include replacement cost new, physical deterioration, functional and economic obsolescence, economic useful life, remaining useful life, age and effective age.

Goodwill represents the excess of the purchase price over the fair value of the net tangible and intangible assets acquired. The goodwill is attributable to the workforce of the acquired business and the revenue increase from future customers expected to arise after the Verizon Data Center Acquisition. The goodwill is not expected to be deductible for local tax purposes. Goodwill will not be amortized and will be tested for impairment at least annually. Goodwill recorded as a result of the Verizon Data Center Acquisition was attributable to the Company's Americas region. For the three months ended September 30, 2017, the Company's results of continuing operations include the Verizon Data Center Acquisition's revenues of \$137.0 million and net income from continuing operations of \$29.2 million. The Company's results of continuing operations include the Verizon Data Center Acquisition's revenues of \$223.7 million and net income from continuing operations of \$56.3 million for the period May 1, 2017 through September 30, 2017.

IO Acquisition

On February 3, 2017, the Company acquired IO UK's data center operating business in Slough, United Kingdom, for a cash payment of approximately \$36.3 million ("IO Acquisition"). The acquired facility was renamed London 10 ("LD10") data center. The IO Acquisition constitutes a business under the accounting standard for business combinations and as a result, was accounted for as a business combination using the acquisition method of accounting. Under the acquisition method of accounting, the assets acquired and liabilities assumed in a business combination shall be measured at fair value at the date of the acquisition. As of September 30, 2017, the Company has not completed the detailed valuation analysis to derive the fair value of deferred taxes. The

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Company has updated the preliminary allocation of purchase price for the IO Acquisition from the provisional amounts reported as of June 30, 2017 and the adjustments made during the three months ended September 30, 2017 were not significant. The adjustments in fair value of acquired assets and liabilities did not have a significant impact on the Company's condensed consolidated statements of operations for the three months ended September 30, 2017. The purchase price has been allocated primarily to property, plant and equipment of \$40.3 million, goodwill of \$16.2 million, intangible assets of \$6.3 million, deferred tax assets of \$6.3 million and financing obligations of \$33.1 million on a provisional basis. The nature of the intangible assets acquired is customer relationships with an estimated useful life of 10 years. Goodwill is not expected to be deductible for local tax purposes and is attributable to the Company's EMEA region. Goodwill will not be amortized and will be tested for impairment at least annually.

The Company included IO UK's data center operating results from February 3, 2017 in its condensed consolidated statements of operations and the estimated fair value of assets acquired and liabilities assumed in its condensed consolidated balance sheets beginning February 3, 2017. For the three months ended September 30, 2017, the incremental revenues from the IO Acquisition were not significant and for the nine months ended September 30, 2017, the incremental revenues were \$4.0 million. The incremental net losses and acquisition costs were not significant to the Company's condensed consolidated statements of operations for both periods.

Paris IBX Data Center Acquisition

On August 1, 2016, the Company completed the purchase of Digital Realty Trust, Inc.'s ("Digital Realty's") operating business including its real estate and facility, located in St. Denis, Paris for cash consideration of approximately €193.8 million or \$216.4 million at the exchange rate in effect on August 1, 2016 (the "Paris IBX Data Center Acquisition"). A portion of the building was leased to the Company and was being used by the Company as its Paris 2 and Paris 3 data centers. The Paris 2 lease was accounted for as an operating lease and the Paris 3 lease was accounted for as a financing lease. Upon acquisition, the Company in effect terminated both leases. The Company settled the financing lease obligation of Paris 3 for €47.8 million or approximately \$53.4 million and recognized a loss on debt extinguishment of €8.8 million or approximately \$9.9 million in the third quarter of 2016. The Paris IBX Data Center Acquisition constitutes a business under the accounting standard for business combinations and as a result, the Paris IBX Data Center Acquisition was accounted for as a business combination using the acquisition method of accounting.

The Company included the incremental Paris IBX Data Center's results of operations from August 1, 2016 in its condensed consolidated statements of operations and the estimated fair value of assets acquired and liabilities assumed in its condensed consolidated balance sheets beginning August 1, 2016. The Company incurred acquisition costs of approximately \$12.0 million for the year ended December 31, 2016 related to the Paris IBX Data Center Acquisition.

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Purchase Price Allocation

Under the acquisition method of accounting, the assets acquired and liabilities assumed in a business combination shall be measured at fair value at the date of the acquisition and the Company completed the valuation analysis. The purchase price allocation, which excludes settlement of the Paris 3 financing obligations, was as follows (in thousands):

Cash and cash equivalents	\$ 4,073
Accounts receivable	1,507
Other current assets	794
Property, plant and equipment	143,972
Intangible assets	11,758
Goodwill	48,835
Other assets	81
Total assets acquired	211,020
Accounts payable and accrued liabilities	(2,044)
Other current liabilities	(2,798)
Deferred tax liabilities	(42,395)
Other liabilities	(755)
Net assets acquired	\$ 163,028

Goodwill represents the excess of the purchase price over the fair value of the net tangible and intangible assets acquired. Goodwill is not expected to be deductible for local tax purposes. Goodwill will not be amortized and will be tested for impairment at least annually. Goodwill is attributable to the Company's EMEA region.

The following table presents certain information on the acquired identifiable intangible assets (dollars in thousands):

Intangible Assets	Fair Value	Estimated Useful Lives (Years)	Weighted-average Estimated Useful Lives (Years)
In-place leases	\$ 7,485	0.9-9.4	4.3
Favorable leasehold interests	4,273	1.9-6.7	5.3

The fair value of in-place leases may consist of a variety of components including, but not necessarily limited to the value associated with avoiding the cost of originating the acquired in-place leases. The fair value of favorable leases was estimated based on the income approach, by computing the net present value of the difference between the contractual amounts to be paid pursuant to the lease agreements and estimates of the fair market lease rates for the corresponding in-place leases measured over the remaining non-cancellable terms of the leases. The fair value measurements were based on significant inputs that are not observable in the market and thus represent Level 3 measurements as defined in the accounting standard for fair value measurements.

The fair value of the property, plant and equipment was estimated by applying the income approach or cost approach, such as cash flows or earnings that an asset can be expected to generate over its useful life or the replacement or reproduction cost.

For the three months ended September 30, 2017 and 2016, the incremental revenues and incremental net losses from the Paris IBX Data Center Acquisition were not significant to the Company's condensed consolidated statements of operations. For the nine months ended September 30, 2017, the incremental revenues from the Paris IBX Data Center Acquisition were \$9.1 million, and for the nine months ended September 30, 2016, the incremental revenues were not significant to the Company's condensed consolidated statements of operations. The incremental net losses were not significant to the Company's condensed consolidated statements of operations for the nine months ended September 30, 2017 and 2016.

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TeletyGroup Acquisition

On January 15, 2016, the Company completed the acquisition of the entire issued and to be issued share capital of TeletyGroup. TeletyGroup operates data center facilities in cities across Europe. The acquisition of TeletyGroup has enhanced the Company's existing data center portfolio by adding new IBX metro markets in Europe including Dublin, Helsinki, Istanbul, Manchester, Milan, Sofia, Stockholm and Warsaw. As a result of the transaction, TeletyGroup became a wholly-owned subsidiary of the Company.

Under the terms of the acquisition, the Company acquired all outstanding shares and all vested equity awards of TeletyGroup at 572.5 pence in cash and 0.0336 new shares of Equinix common stock for a total purchase consideration of approximately £2,624.5 million or approximately \$3,743.6 million. In addition, the Company assumed \$1.3 million of TeletyGroup's vested employee equity awards as part of consideration transferred. The Company incurred acquisition costs of approximately \$42.5 million during the year ended December 31, 2016 related to the TeletyGroup acquisition.

In connection with the TeletyGroup acquisition, the Company placed £322.9 million or approximately \$475.7 million into a restricted cash account. The cash was released upon completion of the acquisition.

Purchase Price Allocation

Under the acquisition method of accounting, the assets acquired and liabilities assumed in a business combination shall be measured at fair value at the date of the acquisition and the Company completed the valuation analysis. As of December 31, 2016, the Company updated the final allocation of purchase price for TeletyGroup from the provisional amounts reported as of March 31, 2016, which primarily resulted in increases to intangible assets of \$36.8 million and deferred tax liabilities of \$19.5 million and decreases in capital lease and other financing obligations of \$34.4 million, goodwill of \$22.5 million and assets held for sale of \$36.9 million. The changes did not have a significant impact on the Company's results from operations for the year ended December 31, 2016.

The final allocation of the purchase price is as follows (in thousands):

Cash and cash equivalents	\$ 73,368
Accounts receivable	24,042
Other current assets	41,079
Assets held for sale	877,650
Property, plant and equipment	1,058,583
Goodwill	2,215,567
Intangible assets	694,243
Deferred tax assets	994
Other assets	4,102
Total assets acquired	4,989,628
Accounts payable and accrued expenses	(84,367)
Accrued property, plant and equipment	(3,634)
Other current liabilities	(27,233)
Liabilities held for sale	(155,650)
Capital lease and other financing obligations	(165,365)
Mortgage and loans payable	(592,304)
Deferred tax liabilities	(176,168)
Other liabilities	(40,021)
Net assets acquired	\$ 3,744,886

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The purchase price allocation above, as of the acquisition date, includes acquired assets and liabilities that were classified by the Company as held for sale (Note 4).

The following table presents certain information on the acquired intangible assets (dollars in thousands):

Intangible Assets	Fair Value	Estimated Useful Lives (Years)	Weighted-average Estimated Useful Lives (Years)
Customer relationships	\$ 591,956	13.5	13.5
Trade names	72,033	1.5	1.5
Favorable leases	30,254	2.0 - 25.4	19.7

The fair value of customer relationships was estimated by applying an income approach. The fair value was determined by calculating the present value of estimated future operating cash flows generated from existing customers less costs to realize the revenue. The Company applied a weighted-average discount rate of approximately 8.5%, which reflected the nature of the assets as they relate to the estimated future operating cash flows. Other significant assumptions used to estimate the fair value of the customer relationships include projected revenue growth, customer attrition rates, sales and marketing expenses and operating margins. The fair value of the TelecityGroup trade name was estimated using the relief of royalty approach. The Company applied a relief of royalty rate of 2.0% and a weighted-average discount rate of approximately 9.0%. The fair value of the other acquired identifiable intangible assets was estimated by applying a relief of royalty or cost approach as appropriate. The fair value measurements were based on significant inputs that are not observable in the market and thus represent Level 3 measurements as defined in the accounting standard for fair value measurements.

The fair value of the property, plant and equipment was estimated by applying the income approach or cost approach. The income approach is used to estimate fair value based on the income stream, such as cash flows or earnings that an asset can be expected to generate over its useful life. There are two primary methods of applying the income approach to determine the fair value of assets: the discounted cash flow method and the direct capitalization method. The key assumptions include the estimated earnings, discount rate and direct capitalization rate. The cost approach is to use the replacement or reproduction cost as an indicator of fair value. The premise of the cost approach is that a market participant would pay no more for an asset than the amount for which the asset could be replaced or reproduced. The key assumptions of the cost approach include replacement cost new, physical deterioration, functional and economic obsolescence, economic useful life, remaining useful life, age and effective age.

The Company determined the fair value of the loans payable assumed in the TelecityGroup acquisition by estimating TelecityGroup's debt rating and reviewing market data with a similar debt rating and other characteristics of the debt, including the maturity date and security type. On January 15, 2016, the Company prepaid and terminated these loans payable. In conjunction with the repayment of the loans payable, the Company incurred an insignificant amount of pre-payment penalties and interest rate swap termination costs, which were recorded as interest expense in the condensed consolidated statement of operations.

Goodwill represents the excess of the purchase price over the fair value of the net tangible and intangible assets acquired. The goodwill is attributable to the workforce of the acquired business and the significant synergies expected to arise after the TelecityGroup acquisition. The goodwill is not expected to be deductible for local tax purposes. Goodwill will not be amortized and will be tested for impairment at least annually. Goodwill recorded as a result of the TelecityGroup acquisition, except for the goodwill associated with assets held for sale, is attributable to the Company's EMEA region. For the three months ended September 30, 2016, the Company's results of continuing operations include TelecityGroup revenues of \$107.3 million and net loss from continuing operations of \$15.7 million. For the nine months ended September 30, 2016, the Company's results of continuing operations include TelecityGroup revenues of \$299.0 million and net loss from continuing operations of \$54.4 million.

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Unaudited Pro Forma Combined Financial Information

The following unaudited pro forma combined financial information has been prepared by the Company using the acquisition method of accounting to give effect to the Verizon Data Center Acquisition as though it occurred on January 1, 2016. The Company completed the Verizon Data Center Acquisition on May 1, 2017. The operating results of the Verizon Data Center Acquisition for the period May 1, 2017 through September 30, 2017 are included in the condensed consolidated statements of operations for the three and nine months ended September 30, 2017. The unaudited pro forma combined financial information includes adjustments for amortization expenses of acquired intangible assets, transaction related costs, bridge loan commitment fee in connection with the Verizon Data Center Acquisition and the consequential tax effects of these adjustments.

The Company and Verizon entered into agreements at the closing of the Verizon Data Center Acquisition pursuant to which the Company will provide space and services to Verizon at the acquired data centers. These arrangements are not reflected in the unaudited pro forma combined financial information. For the three and nine months ended September 30, 2017, the Company recognized approximately \$137.0 million and \$223.7 million, respectively, of revenues attributed to the Verizon Data Center Acquisition, which included these arrangements.

The unaudited pro forma combined financial information is presented for illustrative purposes only and is not necessarily indicative of the results of operations that would have actually been reported had the Verizon Data Center Acquisition occurred on January 1, 2016, nor is it necessarily indicative of the future results of operations of the combined company.

The following table sets forth the unaudited pro forma combined results of operations for the three and nine months ended September 30, 2017 and 2016 (in thousands, except per share amounts):

	Three months ended September 30,		Nine months ended September 30,	
	2017	2016	2017	2016
Revenues	\$ 1,152,261	\$ 1,034,999	\$ 3,309,381	\$ 3,000,311
Net income (loss) from continuing operations	80,135	35,069	194,504	(37,410)
Basic EPS	1.03	0.45	2.50	(0.49)
Diluted EPS	1.02	0.45	2.48	(0.49)

4. Assets Held for Sale

In June 2016, the Company approved the divestiture of the solar power assets of Bit-isle. In October 2016, the Company entered into a Share Transfer Agreement for the transfer of common stock of Terra Power Co., Ltd., relating to the divestiture of the solar power assets of Bit-isle. The Company received ¥400.0 million upon the closing of the transaction, or approximately \$3.8 million at the exchange rate in effect on October 31, 2016. In November 30, 2016, the Company received an additional ¥2,500.0 million, or approximately \$22.1 million at the exchange rate in effect at the time of receipt. The Company received the remaining payment of ¥5,313.4 million in the first quarter of 2017, or approximately \$47.8 million at the exchange rate in effect on March 31, 2017. During the three months ended September 30, 2016, the Company evaluated the recoverability of the carrying value of its assets held for sale related to the sales agreement signed in October, as discussed above, and concluded that the Company would not recover the carrying value of certain assets. Accordingly, the Company recorded an impairment charge on other current assets of \$7.7 million at September 30, 2016, reducing the carrying value of such assets from \$79.5 million to the estimated fair value of \$71.8 million.

During the fourth quarter of 2015, the Company and TelecityGroup agreed to divest certain data centers, including the Company's London 2 ("LD2") data center and certain data centers of TelecityGroup in the United Kingdom, Netherlands and Germany, in order to obtain the approval of the European Commission for the acquisition of TelecityGroup. The assets and liabilities of LD2, which were included within the EMEA operating segment, were classified as held for sale in the fourth quarter of 2015 and, therefore, the corresponding depreciation and amortization expense was ceased at that time. This divestiture was not presented as discontinued operations in the condensed consolidated statements of operations, because it did not represent a strategic shift in the Company's business, as the Company continued operating similar businesses after the divestiture. The divestiture was completed on July 5, 2016 and the Company recognized a gain of \$27.9 million on the sale of the LD2 data center, which is included in gains on asset sales in the condensed consolidated statements of operations for the three and nine months ended September 30, 2016.

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The revenue and net income generated by LD2 during the three months ended September 30, 2016 were not significant. During the nine months ended September 30, 2016, LD2 generated revenues of \$6.1 million and net income of \$2.3 million.

During the fourth quarter of 2015, the Company entered into an agreement to sell a parcel of land in San Jose, California. The sale was completed in February 2016 and the Company recognized a gain on sale of \$5.2 million.

5. Discontinued Operations

In order to obtain the approval of the European Commission for the acquisition of TelecityGroup, the Company and TelecityGroup agreed to divest certain data centers of TelecityGroup in the United Kingdom, Netherlands and Germany. These TelecityGroup data centers, on acquisition, met the criteria to be classified as held for sale and were therefore reported as discontinued operations. As of January 15, 2016, the date of TelecityGroup acquisition, depreciation and amortization of the reported discontinued operations were ceased.

On July 5, 2016, the Company completed the sale of these data centers and related assets to Digital Realty for approximately €304.6 million and £376.2 million, or approximately \$827.3 million at the exchange rates in effect on July 5, 2016. The Company recognized a gain on sale of the TelecityGroup data centers in discontinued operations of \$4.2 million for the three months ended September 30, 2016. The results of operations for these data centers that were divested have been reported as net income from discontinued operations, net of tax, from January 15, 2016, the date of TelecityGroup acquisition, through July 5, 2016 in the Company's condensed consolidated statements of operations. The results of operations for these data centers during the three months ended September 30, 2016 were not significant. Capital expenditures from the date of acquisition through the date of sale were \$31.5 million.

The Company did not record income from discontinued operations, net of tax for the three and nine months ended September 30, 2017. The following table presents the financial results of the Company's discontinued operations for the nine months ended September 30, 2016 (in thousands).

	Nine Months Ended September 30, 2016
Revenues	\$ 48,782
Costs and operating expenses:	
Cost of revenues	24,795
Sales and marketing	1,030
General and administrative	7,026
Total costs and operating expenses	32,851
Income from discontinued operations	15,931
Interest and other, net	(1,286)
Income from discontinued operations before income taxes	14,645
Income tax expense	(4,581)
Gain on sale of discontinued operations, net of income taxes	4,242
Net income from discontinued operations, net of tax	\$ 14,306

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6. Derivatives and Hedging Activities

Derivatives Designated as Hedging Instruments

Net Investment Hedges. The Company is exposed to the impact of foreign exchange rate fluctuations on the value of investments in its foreign subsidiaries. In order to mitigate the impact of foreign currency exchange rates, the Company has issued various foreign currency debt which is designated as hedges against the Company's net investments in foreign subsidiaries. As of September 30, 2017 and December 31, 2016, the total principal amounts of foreign currency debt, which was designated as net investment hedges, were \$2,499.4 million and \$646.2 million, respectively. The Company also uses foreign currency forward contracts to hedge against the effect of foreign exchange rate fluctuations on a portion of its net investment in the foreign subsidiaries. For a net investment hedge, changes in the fair value of the hedging instrument designated as a net investment hedge, except the ineffective portion and forward points, are recorded as a component of other comprehensive income in the condensed consolidated balance sheets.

The Company recorded net foreign exchange losses of \$60.7 million and \$191.1 million in other comprehensive income (loss) for the three and nine months ended September 30, 2017 and net foreign exchange gains of \$5.5 million and \$44.4 million in other comprehensive income (loss) for the three and nine months ended September 30, 2016, respectively. For the three and nine months ended September 30, 2016, the Company reclassified net foreign exchange gains of \$40.0 million to gain on sale of discontinued operations. The Company recorded no ineffectiveness from its net investment hedges for the three and nine months ended September 30, 2017 and 2016.

Cash Flow Hedges. The Company hedges its foreign currency translation exposure for forecasted revenues and expenses in its EMEA region between the U.S. Dollar and the British Pound, Euro, Swedish Krona and Swiss Franc. The foreign currency forward and option contracts that the Company uses to hedge this exposure are designated as cash flow hedges under the accounting standard for derivatives and hedging. The Company also uses net purchased collar options to manage a portion of its exposure to foreign currency exchange rate fluctuations, where the Company writes a foreign currency call option and purchases a foreign currency put option. When two or more derivative instruments in combination are jointly designated as a cash flow hedging instrument, they are treated as a single instrument.

The Company enters into intercompany hedging instruments ("intercompany derivatives") with wholly-owned subsidiaries of the Company in order to hedge certain forecasted revenues and expenses denominated in currencies other than the U.S. dollar. Simultaneously, the Company enters into derivative contracts with unrelated third parties to externally hedge the net exposure created by such intercompany derivatives.

The following disclosure is prepared on a consolidated basis. Assets and liabilities resulting from intercompany derivatives have been eliminated in consolidation. As of September 30, 2017, the Company's cash flow hedge instruments had maturity dates ranging from October 2017 to August 2019 as follows (in thousands):

	Notional Amount	Fair Value ⁽¹⁾	Accumulated Other Comprehensive Income (Loss) ^{(2) (3)}
Derivative assets	\$ 111,080	\$ 5,441	\$ 5,059
Derivative liabilities	492,159	(29,762)	(34,017)
Total	\$ 603,239	\$ (24,321)	\$ (28,958)

⁽¹⁾ All derivatives related to cash flow hedges are included in the condensed consolidated balance sheets within other current assets, other assets, other current liabilities and other liabilities.

⁽²⁾ Included in the condensed consolidated balance sheets within accumulated other comprehensive income (loss).

⁽³⁾ The Company recorded a net loss of \$19.9 million within accumulated other comprehensive income (loss) relating to cash flow hedges that will be reclassified to revenues and expenses as they mature in the next 12 months.

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As of December 31, 2016, the Company's cash flow hedge instruments had maturity dates ranging from January 2017 to November 2018 as follows (in thousands):

	Notional Amount	Fair Value ⁽¹⁾	Accumulated Other Comprehensive Income (Loss) ^{(2) (3)}
Derivative assets	\$ 545,638	\$ 44,570	\$ 42,634
Derivative liabilities	42,207	(1,815)	(1,453)
Total	<u>\$ 587,845</u>	<u>\$ 42,755</u>	<u>\$ 41,181</u>

- (1) All derivatives related to cash flow hedges are included in the condensed consolidated balance sheets within other current assets, other assets, other current liabilities and other liabilities.
- (2) Included in the condensed consolidated balance sheets within accumulated other comprehensive income (loss).
- (3) The Company recorded a net gain of \$31.9 million within accumulated other comprehensive income (loss) relating to cash flow hedges that will be reclassified to revenues and expenses as they mature over the next 12 months.

During the three months ended September 30, 2017 and 2016, the ineffective and excluded portions of cash flow hedges recognized in other income (expense) were not significant. During the three months ended September 30, 2017, the amount of net losses reclassified from accumulated other comprehensive income (loss) to revenues and the amount of net gains reclassified from accumulated other comprehensive income (loss) to operating expenses were not significant. During the three months ended September 30, 2016, the amount of net gains reclassified from accumulated other comprehensive income (loss) to revenues was \$10.1 million and the amount of net losses reclassified from accumulated other comprehensive income (loss) to operating expenses was \$5.0 million.

During the nine months ended September 30, 2017, the amount of net gains from the ineffective and excluded portions of cash flow hedges recognized in other income (expense) was \$3.6 million. During the nine months ended September 30, 2016, net gains from the ineffective and excluded portions of cash flow hedges recognized in other income (expense) were not significant. During the nine months ended September 30, 2017, the amount of net gains reclassified from accumulated other comprehensive income (loss) to revenues was \$25.8 million and the amount of net losses reclassified from accumulated other comprehensive income (loss) to operating expenses was \$13.4 million. During the nine months ended September 30, 2016, the amount of net gains reclassified from accumulated other comprehensive income (loss) to revenues was \$22.7 million and the amount of net losses reclassified from accumulated other comprehensive income (loss) to operating expenses was \$11.7 million.

Derivatives Not Designated as Hedging Instruments

Embedded Derivatives. The Company is deemed to have foreign currency forward contracts embedded in certain of the Company's customer agreements that are priced in currencies different from the functional or local currencies of the parties involved. These embedded derivatives are separated from their host contracts and carried on the Company's balance sheet at their fair value. The majority of these embedded derivatives arise as a result of the Company's foreign subsidiaries pricing their customer contracts in the U.S. dollar. Gains and losses on these embedded derivatives are included within revenues in the Company's condensed consolidated statements of operations. During the three months ended September 30, 2017 and 2016, gains (losses) associated with these embedded derivatives were not significant. During the nine months ended September 30, 2017 and 2016, the losses associated with these embedded derivatives were \$6.3 million and \$7.3 million, respectively.

Economic Hedges of Embedded Derivatives. The Company uses foreign currency forward contracts to manage the foreign exchange risk associated with the Company's customer agreements that are priced in currencies different from the functional or local currencies of the parties involved ("economic hedges of embedded derivatives"). Foreign currency forward contracts represent agreements to exchange the currency of one country for the currency of another country at an agreed-upon price on an agreed-upon settlement date. Gains and losses on these contracts are included within revenues in the Company's condensed consolidated statements of operations along with gains and losses of the related embedded derivatives. The Company entered into various economic hedges of embedded derivatives during the three and nine months ended September 30, 2017 and 2016. During the three and nine months ended September 30, 2017, the gains (losses) associated with these contracts were not significant. During the three months ended September 30, 2016, the gains (losses) associated with these contracts were not significant. During the nine months ended September 30, 2016, the gains associated with these contracts were \$5.3 million.

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Foreign Currency Forward and Option Contracts. The Company also uses foreign currency forward and option contracts to manage the foreign exchange risk associated with certain foreign currency-denominated assets and liabilities. As a result of foreign currency fluctuations, the U.S. dollar equivalent values of its foreign currency-denominated assets and liabilities change. Gains and losses on these contracts are included in other income (expense), net in the Company's condensed consolidated statements of operations, along with foreign currency gains and losses of the related foreign currency-denominated assets and liabilities associated with these foreign currency forward and option contracts. The Company entered into various foreign currency forward and option contracts during the three and nine months ended September 30, 2017 and 2016. During the three and nine months ended September 30, 2017, the Company recognized net losses of \$23.1 million and \$60.2 million, respectively, associated with these contracts. During the three and nine months ended September 30, 2016, the Company recognized net gains of \$3.2 million and \$44.6 million, respectively, associated with these contracts.

Offsetting Derivative Assets and Liabilities

The following table presents the fair value of derivative instruments recognized in the Company's condensed consolidated balance sheets as of September 30, 2017 (in thousands):

	Gross Amounts	Gross Amounts Offset in the Balance Sheet	Net Amounts ⁽¹⁾	Gross Amounts not Offset in the Balance Sheet ⁽²⁾	Net
Assets:					
<i>Designated as hedging instruments:</i>					
Foreign currency forward contracts designated as cash flow hedges	\$ 5,441	\$ —	\$ 5,441	\$ (5,441)	\$ —
<i>Not designated as hedging instruments:</i>					
Embedded derivatives	5,096	—	5,096	—	5,096
Economic hedges of embedded derivatives	969	—	969	(278)	691
Foreign currency forward contracts	6,947	—	6,947	(1,973)	4,974
	13,012	—	13,012	(2,251)	10,761
Additional netting benefit	—	—	—	(3,680)	(3,680)
	<u>\$ 18,453</u>	<u>\$ —</u>	<u>\$ 18,453</u>	<u>\$ (11,372)</u>	<u>\$ 7,081</u>
Liabilities:					
<i>Designated as hedging instruments</i>					
Foreign currency forward and option contracts designated as cash flow hedges	\$ 29,762	\$ —	\$ 29,762	\$ (5,441)	\$ 24,321
<i>Not designated as hedging instruments:</i>					
Embedded derivatives	3,013	—	3,013	—	3,013
Economic hedges of embedded derivatives	278	—	278	(278)	—
Foreign currency forward contracts	2,806	—	2,806	(1,973)	833
	6,097	—	6,097	(2,251)	3,846
Additional netting benefit	—	—	—	(3,680)	(3,680)
	<u>\$ 35,859</u>	<u>\$ —</u>	<u>\$ 35,859</u>	<u>\$ (11,372)</u>	<u>\$ 24,487</u>

⁽¹⁾ As presented in the Company's condensed consolidated balance sheets within other current assets, other assets, other current liabilities and other liabilities.

⁽²⁾ The Company enters into master netting agreements with its counterparties for transactions other than embedded derivatives to mitigate credit risk exposure to any single counterparty. Master netting agreements allow for individual derivative contracts with a single counterparty to offset in the event of default.

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The following table presents the fair value of derivative instruments recognized in the Company's condensed consolidated balance sheets as of December 31, 2016 (in thousands):

	Gross Amounts	Gross Amounts Offset in the Balance Sheet	Net Amounts ⁽¹⁾	Gross Amounts not Offset in the Balance Sheet ⁽²⁾	Net
Assets:					
<i>Designated as hedging instruments:</i>					
Cash flow hedges					
Foreign currency forward and option contracts	\$ 44,570	\$ —	\$ 44,570	\$ (1,815)	\$ 42,755
Net investment hedges					
Foreign currency forward contracts	6,930	—	6,930	(3,310)	3,620
	<u>51,500</u>	<u>—</u>	<u>51,500</u>	<u>(5,125)</u>	<u>46,375</u>
<i>Not designated as hedging instruments:</i>					
Embedded derivatives	9,745	—	9,745	—	9,745
Foreign currency forward contracts	8,734	—	8,734	(1,873)	6,861
	<u>18,479</u>	<u>—</u>	<u>18,479</u>	<u>(1,873)</u>	<u>16,606</u>
Additional netting benefit	—	—	—	(2,436)	(2,436)
	<u>\$ 69,979</u>	<u>\$ —</u>	<u>\$ 69,979</u>	<u>\$ (9,434)</u>	<u>\$ 60,545</u>
Liabilities:					
<i>Designated as hedging instruments:</i>					
Cash flow hedges					
Foreign currency forward and option contracts	\$ 1,815	\$ —	\$ 1,815	\$ (1,815)	\$ —
Net investment hedges					
Foreign currency forward contracts	3,525	—	3,525	(3,310)	215
	<u>5,340</u>	<u>—</u>	<u>5,340</u>	<u>(5,125)</u>	<u>215</u>
<i>Not designated as hedging instruments:</i>					
Embedded derivatives	1,525	—	1,525	—	1,525
Economic hedges of embedded derivatives	866	—	866	—	866
Foreign currency forward contracts	3,228	—	3,228	(1,873)	1,355
	<u>5,619</u>	<u>—</u>	<u>5,619</u>	<u>(1,873)</u>	<u>3,746</u>
Additional netting benefit	—	—	—	(2,436)	(2,436)
	<u>\$ 10,959</u>	<u>\$ —</u>	<u>\$ 10,959</u>	<u>\$ (9,434)</u>	<u>\$ 1,525</u>

⁽¹⁾ As presented in the Company's condensed consolidated balance sheets within other current assets, other assets, other current liabilities and other liabilities.

⁽²⁾ The Company enters into master netting agreements with its counterparties for transactions other than embedded derivatives to mitigate credit risk exposure to any single counterparty. Master netting agreements allow for individual derivative contracts with a single counterparty to offset in the event of default.

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7. Fair Value Measurements

Cash, Cash Equivalents and Investments. The fair value of the Company's investments in money market funds approximates their face value. Such instruments are included in cash equivalents. The Company's money market funds and publicly traded equity securities are classified within Level 1 of the fair value hierarchy because they are valued using quoted prices for identical instruments in active markets. The fair value of the Company's other investments, including certificates of deposit, approximates their face value. The fair value of these investments is priced based on the quoted market price for similar instruments or nonbinding market prices that are corroborated by observable market data. Such instruments are classified within Level 2 of the fair value hierarchy. The Company determines the fair values of its Level 2 investments by using inputs such as actual trade data, benchmark yields, broker/dealer quotes, and other similar data, which are obtained from quoted market prices, custody bank, third-party pricing vendors, or other sources. The Company uses such pricing data as the primary input to make its assessments and determinations as to the ultimate valuation of its investment portfolio and has not made, during the periods presented, any material adjustments to such inputs. The Company is responsible for its condensed consolidated financial statements and underlying estimates.

Derivative Assets and Liabilities. For derivatives, the Company uses forward contract and option models employing market observable inputs, such as spot currency rates and forward points with adjustments made to these values utilizing published credit default swap rates of its foreign exchange trading counterparties and other comparable companies. The Company has determined that the inputs used to value its derivatives fall within Level 2 of the fair value hierarchy, therefore the derivatives are categorized as Level 2.

The Company's financial assets and liabilities measured at fair value on a recurring basis as of September 30, 2017 were as follows (in thousands):

	Fair Value at September 30, 2017	Fair Value Measurement Using	
		Level 1	Level 2
Assets:			
Cash	\$ 1,130,270	\$ 1,130,270	\$ —
Money market and deposit accounts	469,718	469,718	—
Publicly traded equity securities	7,701	7,701	—
Certificates of deposit	32,756	—	32,756
Derivative instruments ⁽¹⁾	18,453	—	18,453
Total	\$ 1,658,898	\$ 1,607,689	\$ 51,209
Liabilities:			
Derivative instruments ⁽¹⁾	\$ 35,859	\$ —	\$ 35,859
Total	\$ 35,859	\$ —	\$ 35,859

⁽¹⁾ Includes both foreign currency embedded derivatives and foreign currency forward and option contracts. Amounts are included within other current assets, other assets, others current liabilities and other liabilities in the Company's accompanying condensed consolidated balance sheet.

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The Company's financial assets and liabilities measured at fair value on a recurring basis as of December 31, 2016 were as follows (in thousands):

	Fair Value at December 31, 2016	Fair Value Measurement Using	
		Level 1	Level 2
Assets:			
Cash	\$ 345,119	\$ 345,119	\$ —
Money market and deposit accounts	400,388	400,388	—
Publicly traded equity securities	6,463	6,463	—
Certificates of deposit	9,957	—	9,957
Derivative instruments ⁽¹⁾	69,979	—	69,979
Total	\$ 831,906	\$ 751,970	\$ 79,936
Liabilities:			
Derivative instruments ⁽¹⁾	\$ 10,959	\$ —	\$ 10,959
Total	\$ 10,959	\$ —	\$ 10,959

⁽¹⁾ Includes both foreign currency embedded derivatives and foreign currency forward and option contracts. Amounts are included within other current assets, other assets, other current liabilities and other liabilities in the Company's accompanying condensed consolidated balance sheet.

The Company did not have any Level 3 financial assets or financial liabilities as of September 30, 2017 and December 31, 2016.

8. Leases

Capital Lease and Other Financing Obligations

Amsterdam 5 ("AM5") Data Center

In May 2017, the Company entered into an agreement to acquire the land and building for the AM5 IBX data center for cash consideration of €26.7 million or \$30.4 million at the exchange rate in effect on June 30, 2017. The Company had previously leased this IBX data center. As a result of the purchase, the prior lease was effectively terminated and the lease liability was settled in full. The Company settled the financing lease obligation of AM5 data center for €20.0 million or approximately \$22.8 million and recognized a loss on debt extinguishment of €7.2 million or approximately \$8.2 million. The fair value allocated to the ground lease was €6.7 million or \$7.6 million was recorded as other assets and will be amortized through December 2054.

Hong Kong 5 ("HK5") Data Center

In January 2017, the Company entered into an agreement for certain elements of the construction of Hong Kong 5 Data Center. The terms of the construction agreement triggered the Company to be, in substance, the owner of the asset during the construction phase. The Company has accounted for the construction and related agreements as a build-to-suit arrangement. As of September 30, 2017, the Company recorded a financing liability totaling approximately 565.2 million Hong Kong dollars, or \$72.4 million at the exchange rate in effect as of September 30, 2017.

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Maturities of Capital Lease and Other Financing Obligations

The Company's capital lease and other financing obligations are summarized as follows (in thousands):

	Capital Lease Obligations	Other Financing Obligations ⁽¹⁾	Total
2017 (3 months remaining)	\$ 21,758	\$ 23,065	\$ 44,823
2018	93,791	100,966	194,757
2019	87,022	87,789	174,811
2020	87,170	87,636	174,806
2021	87,443	89,294	176,737
Thereafter	882,047	973,777	1,855,824
Total minimum lease payments	1,259,231	1,362,527	2,621,758
Plus amount representing residual property value	—	537,219	537,219
Less amount representing interest	(538,584)	(948,004)	(1,486,588)
Present value of net minimum lease payments	720,647	951,742	1,672,389
Less current portion	(30,043)	(30,158)	(60,201)
Total	\$ 690,604	\$ 921,584	\$ 1,612,188

⁽¹⁾ Other financing obligations are primarily build-to-suit lease obligations.

**9. Debt
Facilities**

Mortgage and Loans Payable

As of September 30, 2017 and December 31, 2016, the Company's mortgage and loans payable consisted of the following (in thousands):

	September 30, 2017	December 31, 2016
Term loans	\$ 2,619,646	\$ 1,413,582
Mortgage payable and loans payable	46,159	44,382
	2,665,805	1,457,964
Less amount representing unamortized debt discount and debt issuance cost	(31,876)	(22,811)
Add amount representing unamortized mortgage premium	2,036	1,862
	2,635,965	1,437,015
Less current portion	(84,455)	(67,928)
Total	\$ 2,551,510	\$ 1,369,087

Senior Credit Facility

On December 17, 2014, the Company entered into a credit agreement with a group of lenders for a \$1,500.0 million credit facility ("Senior Credit Facility"), comprised of a \$1,000.0 million multicurrency revolving credit facility ("Revolving Credit Facility") and a \$500.0 million multicurrency term loan facility ("Term Loan A Facility"). The Senior Credit Facility was amended on April 30, 2015 to convert outstanding U.S. dollar-denominated loans into equivalent amounts denominated in four foreign currencies. The Senior Credit Facility was further amended on December 8, 2015 to increase the Revolving Credit Facility to \$1,500.0 million and to receive commitments from the lenders for a \$250.0 million and £300.0 million seven-year Term B-1 Loans (the "Term B-1 Loan Facility").

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On December 22, 2016, the Company entered into a third amendment (the "Third Amendment") to the Senior Credit Facility. Pursuant to the Third Amendment, (i) the Company could borrow up to €1,000.0 million in additional term B loan (the "Term B-2 Loan"), (ii) the interest rate margin applicable to the existing Term B-1 Loan Facility in U.S. Dollars was reduced from 3.25% to 2.50% and the LIBOR floor applicable to such loans was reduced from 0.75% to zero and (iii) the interest rate margin applicable to the loans borrowed under the Term B-1 Loan Facility in Pounds Sterling was reduced from 3.75% to 3.00%, with no change to the existing LIBOR floor of 0.75% applicable to such loans.

On January 6, 2017, the Company borrowed the full amount of the Term B-2 Loan of €1,000.0 million, or approximately \$1,059.8 million, and recorded debt issuance costs of €13.0 million, or approximately \$13.8 million at the exchange rate in effect on January 6, 2017. The Term B-2 Loan bore interest at an index rate based on LIBOR plus a margin of 3.25%. The Term B-2 Loan was issued at par. The Term B-2 Loan must be repaid in equal quarterly installments of 0.25% of the original principal amount starting in the second quarter of 2017, with the remaining amount outstanding to be repaid in full on the seventh anniversary of the funding date of the Term B-2 Loan. As of September 30, 2017, the Company had a €995.0 million outstanding balance, or a total of approximately \$1,175.6 million at the exchange rate in effect on September 30, 2017, under the Term B-2 Loan. As of September 30, 2017, debt issuance costs related to the Term B-2 Loan, net of amortization, were €11.6 million, or \$12.2 million.

On August 15, 2017, the Company entered into a fourth amendment (the "Fourth Amendment") to the Senior Credit Facility. Pursuant to the Fourth Amendment, (i) the interest rate margin applicable to loans borrowed under the Term B-1 Loan Facility in US Dollars was reduced from (a) 2.50% to 2.00% in the case of USD Term B-1 Loan Facility indexed to LIBOR and (b) 1.50% to 1.00% in the case of USD Term B-1 Loan Facility indexed to an alternate base rate, (ii) the LIBOR floor applicable to loans borrowed under the Term B-1 Loan Facility in Pounds Sterling was reduced from 0.75% to zero and (iii) the interest rate margin applicable to loans borrowed under the Term B-2 Loan in Euro was reduced from 3.25% to 2.50%.

Senior Notes

As of September 30, 2017 and December 31, 2016, the Company's senior notes consisted of the following (in thousands):

	September 30, 2017	December 31, 2016
2.875% Euro Senior Notes due 2025 ⁽¹⁾	\$ 1,181,500	\$ —
4.875% Senior Notes due 2020	—	500,000
5.375% Senior Notes due 2022	750,000	750,000
5.375% Senior Notes due 2023	1,000,000	1,000,000
5.750% Senior Notes due 2025	500,000	500,000
5.875% Senior Notes due 2026	1,100,000	1,100,000
5.375% Senior Notes due 2027	1,250,000	—
	<u>5,781,500</u>	<u>3,850,000</u>
Less amount representing unamortized debt issuance cost	(64,224)	(39,230)
Total	<u>\$ 5,717,276</u>	<u>\$ 3,810,770</u>

⁽¹⁾ The 2.875% Euro Senior Notes are denominated in Euros with €1,000.0 million outstanding as of September 30, 2017.

Redemption of 2020 Senior Notes

On September 28, 2017, the Company redeemed the entire \$500.0 million principal amount of its 4.875% senior notes due 2020 at a redemption price of 102.438% of the principal amount of the notes plus accrued and unpaid interest. The Company recognized a loss on debt extinguishment of \$14.6 million related to the redemption of these notes comprised of a \$12.2 million early redemption premium and write-off of unamortized debt issuance costs of \$2.4 million.

2025 Euro Senior Notes

On September 20, 2017, the Company issued €1,000.0 million, or approximately \$1,199.7 million in U.S. dollars, at the exchange rate in effect on September 20, 2017, aggregate principal amount of 2.875% senior notes due October 1, 2025, which

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NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

are referred to as the "2025 Euro Senior Notes." Interest on the notes is payable semi-annually in arrears on April 1 and October 1 of each year, commencing on April 1, 2018. Debt issuance costs related to the 2025 Euro Senior Notes were \$16.3 million.

2027 Senior Notes

In March 2017, the Company issued \$1,250.0 million aggregate principal amount of 5.375% senior notes due May 15, 2027, which are referred to as the "2027 Senior Notes." Interest on the notes is payable semi-annually in arrears on May 15 and November 15 of each year, commencing on May 15, 2017. Debt issuance costs related to the 2027 Senior Notes were \$16.8 million.

The 2025 Euro Senior Notes and 2027 Senior Notes are unsecured and rank equal in right of payment to the Company's existing or future senior indebtedness and senior in right of payment to the Company's existing and future subordinated indebtedness. The 2025 Euro Senior Notes and 2027 Senior Notes are effectively subordinated to all of the existing and future secured debt, including debt outstanding under any bank facility or secured by any mortgage, to the extent of the assets securing such debt. They are also structurally subordinated to any existing and future indebtedness and other liabilities (including trade payables) of any of the Company's subsidiaries.

The 2025 Euro Senior Notes and 2027 Senior Notes are governed by a supplemental indenture to the indenture between the Company and U.S. Bank National Association, as trustee, that also governs the Company's 5.875% Senior Notes due 2026, 5.375% Senior Notes due 2022, and 5.750% Senior Notes due 2025 (collectively, the "Senior Notes"). The supplemental indenture contains covenants that limit the Company's ability and the ability of its subsidiaries to, among other things:

- incur additional debt;
- pay dividends or make other restricted payments;
- purchase, redeem or retire capital stock or subordinated debt;
- make asset sales;
- enter into transactions with affiliates;
- incur liens;
- enter into sale-leaseback transactions;
- provide subsidiary guarantees;
- make investments; and
- merge or consolidate with any other person.

If the Senior Notes are rated investment grade at any time by two or more of Standard & Poor's, Moody's and Fitch, most of the restrictive covenants contained in the supplemental indenture will be suspended. As of September 30, 2017, the Company was in compliance with all debt covenants.

The Company is not required to make any mandatory redemption with respect to the 2025 Euro Senior Notes or 2027 Senior Notes, however upon the event of a change in control, the Company will be required to offer to purchase the 2025 Euro Senior Notes and 2027 Senior Notes.

Optional Redemption Schedule

Senior Notes Description	Early Equity Redemption Price	First Scheduled Redemption Date	First Year Redemption Price	Second Year Redemption Price	Third Year Redemption Price	Fourth Year Redemption Price
5.375% Notes due 2027	105.375%	May 15, 2022	102.688%	101.792%	100.896%	100.000%
2.875% Euro Notes due 2025	102.875%	October 1, 2020	101.438%	100.719%	100.000%	—

The 2025 Euro Senior Notes and 2027 Senior Notes provide for optional redemption. Within 90 days of the closing of one or more equity offerings and at any time prior to the first scheduled redemption date listed in the optional redemption schedule, the Company may redeem up to 35% of the aggregate principal amount of the Senior Notes outstanding at the early equity redemption price, plus accrued and unpaid interest, provided that at least 65% of the aggregate principal amount of the Senior Notes remain outstanding immediately after the occurrence of such redemption.

On or after the first scheduled redemption date listed in the optional redemption schedule, the Company may redeem all or a part of the 2025 Euro Senior Notes and 2027 Senior Notes, on any one or more occasions, at the redemption prices (expressed as percentages of principal amount) set forth in the optional redemption schedule plus accrued and unpaid interest thereon, if any, if

EQUINIX, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
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redeemed during the twelve-month period beginning on the first scheduled redemption date and at declining redemption prices during the twelve-month periods beginning on the anniversaries of the first scheduled redemption date.

In addition, at any time prior to the respective first scheduled redemption date, the Company may also redeem all or a part of the Senior Notes at a redemption price equal to 100% of the principal amount of Senior Notes redeemed plus the applicable premium (the "Applicable Premium") as of the date of redemption, and accrued and unpaid interest, if any, subject to the rights of the holders of record of the Senior Notes on the relevant record date to receive interest due on the relevant interest payment date. The Applicable Premium is written to make investors whole through the first scheduled optional redemption date and is defined as the greater of:

- 1.0% of the principal amount of the Senior Notes;
and
- the excess of: (a) the present value at such redemption date of (i) the redemption price of the Senior Notes at the first scheduled redemption date, plus (ii) all required interest payments due on the Senior Notes through the first scheduled redemption date, computed using a discount rate equal to the treasury rate (or Bund rate for Euro Senior Notes) as of such redemption date plus 50 basis points; over (b) the principal amount of the Senior Notes, if greater.

In the event of any amendment to, or change in, the laws of a relevant tax jurisdiction, which would require the Company to pay additional amounts in respect to the 2025 Euro Senior Notes, the Company may redeem at any time the 2025 Euro Senior Notes in whole, but not in part, at a redemption price equal to 100% of the principal amount of the notes, plus accrued and unpaid interest.

As of September 30, 2017, unamortized debt issuance costs related to the 2025 Euro Senior Notes were €13.5 million or approximately \$16.0 million. Unamortized debt issuance costs related to 2027 Senior Notes were \$16.0 million.

Maturities of Debt Facilities

The following table sets forth maturities of the Company's debt, including mortgage and loans payable, and senior notes, gross of debt issuance costs and debt discounts, as of September 30, 2017 (in thousands):

Years ending:	
2017 (3 months remaining)	\$ 21,105
2018	84,478
2019	389,409
2020	44,027
2021	355,279
Thereafter	7,555,043
Total	\$ 8,449,341

Fair Value of Debt Facilities

The following table sets forth the estimated fair values of the Company's mortgage and loans payable and senior notes (gross of debt discount, premium and deferred issuance costs), including current maturities, as of (in thousands):

	September 30, 2017	December 31, 2016
Mortgage and loans payable	\$ 2,668,249	\$ 1,461,954
Senior notes	6,106,055	4,033,985

The fair value of the mortgage and loans payable was estimated by considering the Company's credit rating, current rates available to the Company for debt of the same remaining maturities and terms of the debt (Level 2). The fair value of the senior notes was based on quoted market prices (Level 1).

EQUINIX, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

Interest Charges

The following table sets forth total interest costs incurred and total interest costs capitalized for the periods presented (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Interest expense	\$ 121,828	\$ 92,200	\$ 352,554	\$ 293,395
Interest capitalized	6,174	3,234	20,573	9,479
Interest charges incurred	\$ 128,002	\$ 95,434	\$ 373,127	\$ 302,874

Total interest paid, net of capitalized interest, during the three months ended September 30, 2017 and 2016 was \$122.8 million and \$107.9 million, respectively. Total interest paid, net of capitalized interest, during the nine months ended September 30, 2017 and 2016 was \$321.8 million and \$262.1 million, respectively.

10. Commitments and Contingencies**Purchase Commitments**

Primarily as a result of the Company's various IBX data center expansion projects, as of September 30, 2017, the Company was contractually committed for \$336.8 million of unaccrued capital expenditures, primarily for IBX infrastructure equipment not yet delivered and labor not yet provided, in connection with the work necessary to open these IBX data centers and make them available to customers for installation. In addition, the Company had numerous other, non-capital purchase commitments in place as of September 30, 2017, such as commitments to purchase power in select locations through the remainder of 2017 and thereafter, and other open purchase orders for goods or services to be delivered or provided during the remainder of 2017 and thereafter. Such other miscellaneous purchase commitments totaled \$592.4 million as of September 30, 2017.

Contingent Liabilities

The Company estimates exposure on certain liabilities, such as indirect and property taxes, based on the best information available at the time of determination. With respect to real and personal property taxes, the Company records what it can reasonably estimate based on prior payment history, current landlord estimates or estimates based on current or changing fixed asset values in each specific municipality, as applicable. However, there are circumstances beyond the Company's control whereby the underlying value of the property or basis for which the tax is calculated on the property may change, such as a landlord selling the underlying property of one of the Company's IBX data center leases or a municipality changing the assessment value in a jurisdiction and, as a result, the Company's property tax obligations may vary from period to period. Based upon the most current facts and circumstances, the Company makes the necessary property tax accruals for each of its reporting periods. However, revisions in the Company's estimates of the potential or actual liability could materially impact its financial position, results of operations or cash flows.

The Company's indirect and property tax filings in various jurisdictions are subject to examination by local tax authorities. The outcome of any examinations cannot be predicted with certainty. The Company regularly assesses the likelihood of adverse outcomes resulting from these examinations that would affect the adequacy of its tax accruals for each of the reporting periods. If any issues arising from the tax examinations are resolved in a manner inconsistent with the Company's expectations, the revision of the estimates of the potential or actual liabilities could materially impact its financial position, results of operations, or cash flows.

EQUINIX, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
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11. Stockholders' Equity

Accumulated Other Comprehensive Loss

The changes in accumulated other comprehensive loss, net of tax, by components are as follows (in thousands):

	Balance as of December 31, 2016	Net Change	Balance as of September 30, 2017
Foreign currency translation adjustment ("CTA") gain (loss)	\$ (1,031,129)	\$ 408,830	\$ (622,299)
Unrealized gain (loss) on cash flow hedges ⁽¹⁾	30,704	(52,468)	(21,764)
Unrealized gain (loss) on available-for-sale securities ⁽²⁾	2,110	(85)	2,025
Net investment hedge CTA gain (loss) ⁽¹⁾	49,989	(191,121)	(141,132)
Net actuarial gain (loss) on defined benefit plans ⁽³⁾	(816)	39	(777)
Total	<u>\$ (949,142)</u>	<u>\$ 165,195</u>	<u>\$ (783,947)</u>

⁽¹⁾ Refer to Note 6 for a discussion of the amounts reclassified from accumulated other comprehensive income (loss) to net income (loss).

⁽²⁾ No realized gains and losses were reclassified from accumulated other comprehensive income (loss) to net income (loss) for the nine months ended September 30, 2017.

⁽³⁾ The Company has a defined benefit pension plan covering all employees in one country where such plan is mandated by law. The Company does not have any defined benefit plans in any other countries. The unamortized gain (loss) on defined benefit plans includes gains or losses resulting from a change in the value of either the projected benefit obligation or the plan assets resulting from a change in an actuarial assumption, net of amortization.

Changes in foreign currency exchange rates can have a significant impact to the Company's condensed consolidated balance sheets (as evidenced above in the Company's foreign currency translation gain or loss), as well as its condensed consolidated results of operations, as amounts in foreign currencies generally translate into more U.S. dollars when the U.S. dollar weakens or less U.S. dollars when the U.S. dollar strengthens. As of September 30, 2017, the U.S. dollar was generally weaker relative to certain of the currencies of the foreign countries in which the Company operates as compared to December 31, 2016. This overall weakening of the U.S. dollar had an overall favorable impact on the Company's condensed consolidated financial position because the foreign denominations translated into more U.S. dollars as evidenced by an increase in foreign currency translation gain for the nine months ended September 30, 2017 as reflected in the above table. In future periods, the volatility of the U.S. dollar as compared to the other currencies in which the Company operates could have a significant impact on its condensed consolidated financial position and results of operations including the amount of revenue that the Company reports in future periods.

Common Stock

In August 2017, the Company entered into an equity distribution agreement with RBC Capital Market, LLC, Merrill Lynch, Pierce, Fenner & Smith Incorporated, Citigroup Global Markets Inc. and J.P. Morgan Securities LLC, establishing an "at the market" equity offering program, under which the Company may offer and sell from time to time up to an aggregate of \$750.0 million of its common stock in "at the market" transactions (the "ATM Program"). No sales have been made under the ATM Program to date.

In March 2017, the Company issued and sold 6,069,444 shares of its common stock in a public offering pursuant to a registration statement and a related prospectus and prospectus supplement, in each case filed with the SEC. The shares issued and sold included the full exercise of the underwriters' option to purchase 791,666 additional shares. The Company received net proceeds of approximately \$2,126.3 million, after deducting underwriting discounts and commissions of \$57.9 million and offering expenses of \$0.8 million.

EQUINIX, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

Dividends

On August 2, 2017, the Company declared a quarterly cash dividend of \$2.00 per share, with a record date of August 23, 2017 and a payment date of September 20, 2017. During the three months ended September 30, 2017, the Company paid a total of \$159.5 million in dividends. In addition, the Company accrued an additional \$2.7 million in dividends payable for restricted stock units that have not yet vested.

On April 26, 2017, the Company declared a quarterly cash dividend of \$2.00 per share, with a record date of May 24, 2017 and a payment date of June 21, 2017. During the three months ended June 30, 2017, the Company paid a total of \$156.3 million in dividends. In addition, the Company accrued an additional \$2.7 million in dividends payable for restricted stock units that have not yet vested.

On February 15, 2017, the Company declared a quarterly cash dividend of \$2.00 per share, with a record date of February 27, 2017 and a payment date of March 22, 2017. During the three months ended March 31, 2017, the Company paid a total of \$148.1 million in dividends. In addition, the Company accrued an additional \$2.6 million in dividends payable for restricted stock units that have not yet vested.

Stock-Based Compensation

For the nine months ended September 30, 2017, the Compensation Committee and the Stock Award Committee of the Company's Board of Directors approved the issuance of an aggregate of 511,548 shares of restricted stock units to certain employees, including executive officers, pursuant to the 2000 Equity Incentive Plan, as part of the Company's annual refresh program. These equity awards are subject to vesting provisions and have a weighted-average grant date fair value of \$367.23 and a weighted-average requisite service period of 3.48 years. The valuation of restricted stock units with only a service condition or a service and performance condition requires no significant assumptions as the fair value for these types of equity awards is based solely on the fair value of the Company's stock price on the date of grant. The Company used revenues and adjusted funds from operations ("AFFO") as the performance measurements in the restricted stock units with both service and performance conditions that were granted in the first nine months ended September 30, 2017.

The Company uses a Monte Carlo simulation option-pricing model to determine the fair value of restricted stock units with a service and market condition. There were no significant changes in the assumptions used to determine the fair value of restricted stock units with a service and market condition that were granted in 2017 compared to the prior year.

The following table presents, by operating expense category, the Company's stock-based compensation expense recognized in the Company's condensed consolidated statements of operations (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Cost of revenues	\$ 3,911	\$ 3,316	\$ 10,000	\$ 9,754
Sales and marketing	13,847	11,702	38,245	32,187
General and administrative	27,896	27,455	81,357	74,370
Total	<u>\$ 45,654</u>	<u>\$ 42,473</u>	<u>\$ 129,602</u>	<u>\$ 116,311</u>

EQUINIX, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
(Unaudited)

12. Segment Information

While the Company has a single line of business, which is the design, build-out and operation of IBX data centers, it has determined that it has three reportable segments comprised of its Americas, EMEA and Asia-Pacific geographic regions. The Company's chief operating decision-maker evaluates performance, makes operating decisions and allocates resources based on the Company's revenues and adjusted EBITDA performance both on a consolidated basis and based on these three reportable segments. The Company defines adjusted EBITDA as income from operations plus depreciation, amortization, accretion, stock-based compensation expense, restructuring charges, impairment charges, acquisition costs and gains on asset sales as presented below (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Adjusted EBITDA:				
Americas	\$ 292,101	\$ 202,131	\$ 748,871	\$ 581,619
EMEA	146,464	121,468	417,640	366,412
Asia-Pacific	111,754	96,443	320,690	272,952
Total adjusted EBITDA	550,319	420,042	1,487,201	1,220,983
Depreciation, amortization and accretion expense	(277,719)	(215,370)	(749,118)	(631,242)
Stock-based compensation expense	(45,654)	(42,473)	(129,602)	(116,311)
Acquisition costs	(2,083)	(12,505)	(31,510)	(64,635)
Impairment charges	—	(7,698)	—	(7,698)
Gains on asset sales	—	27,945	—	33,187
Income from continuing operations	<u>\$ 224,863</u>	<u>\$ 169,941</u>	<u>\$ 576,971</u>	<u>\$ 434,284</u>

The Company also provides the following additional segment disclosures (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Revenues:				
Americas	\$ 596,538	\$ 425,142	\$ 1,566,593	\$ 1,243,007
EMEA	338,833	301,250	976,624	869,715
Asia-Pacific	216,890	198,284	624,990	556,620
Total	<u>\$ 1,152,261</u>	<u>\$ 924,676</u>	<u>\$ 3,168,207</u>	<u>\$ 2,669,342</u>
Depreciation and amortization:				
Americas	\$ 151,072	\$ 81,724	\$ 363,341	\$ 236,385
EMEA	75,276	79,292	230,406	237,846
Asia-Pacific	52,063	53,809	156,456	153,179
Total	<u>\$ 278,411</u>	<u>\$ 214,825</u>	<u>\$ 750,203</u>	<u>\$ 627,410</u>
Capital expenditures:				
Americas	\$ 151,310	\$ 147,328	\$ 465,424	\$ 346,817
EMEA	112,578	79,585	347,647	223,440
Asia-Pacific	56,346	52,564	132,977	156,787
Total	<u>\$ 320,234</u>	<u>\$ 279,477</u>	<u>\$ 946,048</u>	<u>\$ 727,044</u>

EQUINIX, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS – (Continued)
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The Company's long-lived assets are located in the following geographic areas as of (in thousands):

	September 30, 2017	December 31, 2016
Americas	\$ 4,399,846	\$ 3,339,518
EMEA	2,933,406	2,355,943
Asia-Pacific	1,672,919	1,503,749
Total long-lived assets	<u>\$ 9,006,171</u>	<u>\$ 7,199,210</u>

Revenue information on a services basis is as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Colocation	\$ 842,680	\$ 678,959	\$ 2,316,433	\$ 1,958,582
Interconnection	179,544	137,501	493,288	397,147
Managed infrastructure	63,278	55,146	176,080	156,302
Other	3,531	5,400	11,720	12,901
Recurring revenues	1,089,033	877,006	2,997,521	2,524,932
Non-recurring revenues	63,228	47,670	170,686	144,410
Total	<u>\$ 1,152,261</u>	<u>\$ 924,676</u>	<u>\$ 3,168,207</u>	<u>\$ 2,669,342</u>

No single customer accounted for 10% or greater of the Company's revenues for the three and nine months ended September 30, 2017 and 2016. No single customer accounted for 10% or greater of the Company's gross accounts receivable as of September 30, 2017 and December 31, 2016.

13. Subsequent Events

On November 1, 2017, the Company declared a quarterly cash dividend of \$2.00 per share, which is payable on December 13, 2017 to the Company's common stockholders of record as of the close of business on November 15, 2017.

On October 9, 2017, the Company completed the acquisition of Itconic for a cash purchase price of €215.0 million or \$252.6 million at the exchange rate in effect on October 9, 2017. Itconic is a data center provider in Spain and Portugal, and also includes CloudMas, an Itconic subsidiary which is focused on supporting enterprise adoption and use of cloud services. Itconic's operating results will be reported in the EMEA region following the date of acquisition. The acquisition of Itconic constitutes a business under the accounting standard for business combinations and therefore will be accounted for as a business combination using the acquisition method of accounting. The fair value of assets acquired and liabilities assumed are being appraised by the Company with the assistance of a third party and have not been finalized.

On October 6, 2017, the Company acquired a data center business from Zenium for a cash payment of approximately \$93.0 million. The acquired facility is located in Istanbul, Turkey, and will be renamed Istanbul 2 ("IS2") data center. IS2's operating results will be reported in the EMEA region following the date of acquisition. The acquisition of IS2 constitutes a business under the accounting standard for business combinations and therefore will be accounted for as a business combination using the acquisition method of accounting. The fair value of assets acquired and liabilities assumed are being appraised by the Company with the assistance of a third party and have not been finalized.

Item 2.

**MANAGEMENT'S DISCUSSION AND ANALYSIS
OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS**

The information in this discussion contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Such statements are based upon current expectations that involve risks and uncertainties. Any statements contained herein that are not statements of historical fact may be deemed to be forward-looking statements. For example, the words "believes," "anticipates," "plans," "expects," "intends" and similar expressions are intended to identify forward-looking statements. Our actual results and the timing of certain events may differ significantly from the results discussed in the forward-looking statements. Factors that might cause such a discrepancy include, but are not limited to, those discussed in "Liquidity and Capital Resources" below and "Risk Factors" in Item 1A of Part II of this Quarterly Report on Form 10-Q. All forward-looking statements in this document are based on information available to us as of the date of this Report and we assume no obligation to update any such forward-looking statements.

Our management's discussion and analysis of financial condition and results of operations is intended to assist readers in understanding our financial information from our management's perspective and is presented as follows:

- Overview
- Results of Operations
- Non-GAAP Financial Measures
- Liquidity and Capital Resources
- Contractual Obligations and Off-Balance-Sheet Arrangements
- Critical Accounting Policies and Estimates
- Recent Accounting Pronouncements

Overview

In October 2017, we acquired a data center business from Zenium in Istanbul for a cash purchase price of approximately \$93.0 million. The acquired data center will be renamed as Istanbul 2 (or "IS2") data center. The acquisition of IS2 will be accounted for using the acquisition method.

In September 2017, as more fully described in Note 9 of Notes to Condensed Consolidated Financial Statements in Item 1 of this Quarterly Report on Form 10-Q, we issued €1.0 billion or approximately \$1.2 billion in U.S. dollars, at the exchange rate in effect on September 20, 2017, aggregate principal amount of 2.875% senior notes due October 1, 2025 (the "2025 Euro Senior Notes") and recorded debt issuance costs of \$16.3 million. We used a portion of the net proceeds from the 2025 Euro Senior Notes to redeem our 4.875% senior notes with an aggregate principal amount of \$500.0 million in September 2017. As a result, we recognized a loss on debt extinguishment of \$14.6 million during the third quarter of 2017.

In September 2017, we entered into a purchase agreement to acquire Itconic with 5 data centers in Spain and Portugal for a cash purchase price of approximately €215.0 million or \$252.6 million at the exchange rate in effect on October 9, 2017 (the "Itconic Acquisition"). The Itconic Acquisition was completed in October 2017. The Itconic Acquisition will be accounted for using the acquisition method.

In August 2017, as more fully described in Note 11 of Notes to Condensed Consolidated Financial Statements in Item 1 of this Quarterly Report on Form 10-Q, we launched an "at the market" program (the "ATM program"), under which we may offer and sell shares of our common stock having an aggregate offering price of up to \$750.0 million from time to time through our sales agents. No sales have been made under the ATM Program to date.

In August 2017, as more fully described in Note 9 of Notes to Condensed Consolidated Financial Statements in Item 1 of this Quarterly Report on Form 10-Q, we entered into a fourth amendment (the "Fourth Amendment") to the senior secured credit facility, which is comprised of a multi-currency revolving credit facility, a multi-currency senior secured term A loan facility and a multi-currency senior secured term B loan facility (the "Term Loan B Facility"). Pursuant to the Fourth Amendment, we modified various terms of interest rates applicable to loans borrowed under the Term Loan B Facility.

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In May 2017, as more fully described in Note 3 of Notes to Condensed Consolidated Financial Statements in Item 1 of this Quarterly Report on Form 10-Q, we completed the acquisition of certain colocation business from Verizon Communications Inc. ("Verizon") consisting of 29 data center buildings located in the United States, Brazil and Colombia (the "Selected Verizon Data Center Business"), for a cash purchase price of approximately \$3.6 billion (the "Verizon Data Center Acquisition"), which we funded with proceeds of debt and equity financings conducted in January and March 2017 as discussed below. The Verizon Data Center Acquisition was accounted for using the acquisition method. The fair value of the assets acquired and liabilities assumed are currently being appraised by a third-party. The valuation and purchase accounting of this acquisition have not yet been finalized as of September 30, 2017.

In March 2017, as more fully described in Note 11 of Notes to Condensed Consolidated Financial Statements in Item 1 of this Quarterly Report on Form 10-Q, we issued and sold 6,069,444 shares of our common stock in a public offering. We received net proceeds of approximately \$2,126.3 million, after deducting underwriting discounts, commissions and offering expenses.

In March 2017, as more fully described in Note 9 of Notes to Condensed Consolidated Financial Statements in Item 1 of this Quarterly Report on Form 10-Q, we issued \$1,250.0 million aggregate principal amount of 5.375% senior notes due May 15, 2027 (the "2027 Senior Notes") and recorded debt issuance costs of \$16.8 million.

In February 2017, as more fully described in Note 3 of Notes to Condensed Consolidated Financial Statements in Item 1 of this Quarterly Report on Form 10-Q, we acquired IO UK's data center operating business in Slough, United Kingdom, for a cash payment of approximately \$36.3 million (the "IO Acquisition"). The acquired facility was renamed as London 10 ("LD10") data center. The IO Acquisition was accounted for using the acquisition method. The valuation and purchase accounting of this acquisition have not been finalized as of September 30, 2017.

In January 2017, as more fully described in Note 9 of Notes to Condensed Consolidated Financial Statements in Item 1 of this Quarterly Report on Form 10-Q, we borrowed the full amount of the Term B-2 Loan of €1.0 billion or approximately \$1.1 billion in U.S. dollars at the exchange rate in effect on January 6, 2017.

Equinix provides global data center offerings that protect and connect the world's most valued information assets. Global enterprises, financial services companies and content and network service providers rely upon Equinix's leading insight and data centers around the world for the safehousing of their critical IT equipment and the ability to directly connect to the networks that enable today's information-driven economy. The Verizon Data Center Acquisition along with the acquisitions of Iconic and IS2 expanded the Company's total global footprint to 190 IBX data centers across 48 markets around the world. Equinix offers the following solutions: (i) premium data center colocation, (ii) interconnection and (iii) exchange and outsourced IT infrastructure services. As of September 30, 2017, we operated or had partner International Business Exchange® ("IBX") data centers in the Atlanta, Culpeper, Bogota, Boston, Chicago, Dallas, Denver, Houston, Los Angeles, Miami, New York, Philadelphia, Rio De Janeiro, Sao Paulo, Seattle, Silicon Valley, Toronto and Washington, D.C. metro areas in the Americas region; Bulgaria, Finland, France, Germany, Ireland, Italy, the Netherlands, Poland, Sweden, Switzerland, Turkey, the United Arab Emirates and the United Kingdom in the Europe, Middle East and Africa ("EMEA") region; and Australia, China, Hong Kong, Indonesia, Japan and Singapore in the Asia-Pacific region.

Our data centers in 48 markets around the world are a global platform, which allows our customers to increase information and application delivery performance while significantly reducing costs. Based on our global platform and the quality of our IBX data centers, we believe we have established a critical mass of customers. As more customers locate in our IBX data centers, it benefits their suppliers and business partners to colocate as well, in order to gain the full economic and performance benefits of our offerings. These partners, in turn, pull in their business partners, creating a "marketplace" for their services. Our global platform enables scalable, reliable and cost-effective colocation, interconnection and traffic exchange that lowers overall cost and increases flexibility. Our focused business model is built on our critical mass of customers and the resulting "marketplace" effect. This global platform, combined with our strong financial position, continues to drive new customer growth and bookings.

Historically, our market has been served by large telecommunications carriers who have bundled telecommunications products and services with their colocation offerings. The data center market landscape has evolved to include cloud computing/utility providers, application hosting providers and systems integrators, managed infrastructure hosting providers and colocation providers. More than 350 companies provide data center solutions in the U.S. alone. Each of these data center solutions providers can bundle various colocation, interconnection and network offerings, and outsourced IT infrastructure services. We are able to offer our customers a global platform that reaches 24 countries with proven operational reliability, improved application performance and network choice, and a highly scalable set of offerings.

Our utilization rates were approximately 78%, excluding the Verizon Data Center Acquisition, as of September 30, 2017 and 81%, excluding the acquisitions of TelecityGroup and Bit-isle, as of September 30, 2016. Excluding the impact of our IBX data center expansion projects that have opened during the last 12 months and acquisitions mentioned above, our utilization rate would have increased to approximately 83% as of September 30, 2017. Our utilization rate varies from market to market among our IBX

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data centers across the Americas, EMEA and Asia-Pacific regions. We continue to monitor the available capacity in each of our selected markets. To the extent we have limited capacity available in a given market it may limit our ability for growth in that market. We perform demand studies on an ongoing basis to determine if future expansion is warranted in a market. In addition, power and cooling requirements for most customers are growing on a per unit basis. As a result, customers are consuming an increasing amount of power per cabinet. Although we generally do not control the amount of power our customers draw from installed circuits, we have negotiated power consumption limitations with certain of our high power demand customers. This increased power consumption has driven the requirement to build out our new IBX data centers to support power and cooling needs twice that of previous IBX data centers. We could face power limitations in our IBX data centers even though we may have additional physical cabinet capacity available within a specific IBX data center. This could have a negative impact on the available utilization capacity of a given IBX data center, which could have a negative impact on our ability to grow revenues, affecting our financial performance, operating results and cash flows.

Strategically, we will continue to look at attractive opportunities to grow our market share and selectively improve our footprint and offerings. As was the case with our recent expansions and acquisitions, our expansion criteria will be dependent on a number of factors, such as demand from new and existing customers, quality of the design, power capacity, access to networks, capacity availability in the current market location, amount of incremental investment required by us in the targeted property, lead-time to break even on a free cash flow basis, and in-place customers. Like our recent expansions and acquisitions, the right combination of these factors may be attractive to us. Depending on the circumstances, these transactions may require additional capital expenditures funded by upfront cash payments or through long-term financing arrangements in order to bring these properties up to Equinix standards. Property expansion may be in the form of purchases of real property, long-term leasing arrangements or acquisitions. Future purchases, construction or acquisitions may be completed by us or with partners or potential customers to minimize the outlay of cash, which can be significant.

Our business is based on a recurring revenue model comprised of colocation and related interconnection and managed infrastructure offerings. We consider these offerings recurring because our customers are generally billed on a fixed and recurring basis each month for the duration of their contract, which is generally one to three years in length. Our recurring revenues have comprised more than 90% of our total revenues during the past three years. In addition, during any given quarter of the past three years, more than half of our monthly recurring revenue bookings came from existing customers, contributing to our revenue growth. During the three months ended September 30, 2017 and 2016, our largest customer accounted for approximately 4% and 3%, respectively, of our recurring revenues. Our 50 largest customers accounted for approximately 37% and 36%, respectively, of our recurring revenues for the three months ended September 30, 2017 and 2016. During the nine months ended September 30, 2017 and 2016, our largest customer accounted for approximately 3% of our recurring revenues. Our 50 largest customers accounted for approximately 36% of our recurring revenues for both the nine months ended September 30, 2017 and 2016.

Our non-recurring revenues are primarily comprised of installation services related to a customer's initial deployment and professional services that we perform. These services are considered to be non-recurring because they are billed typically once, upon completion of the installation or the professional services work performed. The majority of these non-recurring revenues are typically billed on the first invoice distributed to the customer in connection with their initial installation. However, revenues from installation services are deferred and recognized ratably over the expected life of the customer installation. Additionally, revenue from contract settlements, when a customer wishes to terminate their contract early, is recognized when no remaining performance obligations exist and collectability is reasonably assured, to the extent that the revenue has not previously been recognized. As a percentage of total revenues, we expect non-recurring revenues to represent less than 10% of total revenues for the foreseeable future.

The largest components of our cost of revenues are depreciation, rental payments related to our leased IBX data centers, utility costs, including electricity and bandwidth, IBX data center employees' salaries and benefits, including stock-based compensation, repairs and maintenance, supplies and equipment and security services. A substantial majority of our cost of revenues is fixed in nature and should not vary significantly from period to period, unless we expand our existing IBX data centers or open or acquire new IBX data centers. However, there are certain costs which are considered more variable in nature, including utilities and supplies that are directly related to growth in our existing and new customer base. We expect the cost of our utilities, specifically electricity, will generally increase in the future on a per-unit or fixed basis in addition to the variable increase related to the growth in consumption by our customers. In addition, the cost of electricity is generally higher in the summer months as compared to other times of the year. To the extent we incur increased utility costs, such increased costs could materially impact our financial condition, results of operations and cash flows. Furthermore, to the extent we incur increased electricity costs as a result of either climate change policies or the physical effects of climate change, such increased costs could materially impact our financial condition, results of operations and cash flows.

Sales and marketing expenses consist primarily of compensation and related costs for sales and marketing personnel, including stock-based compensation, sales commissions, marketing programs, public relations, promotional materials and travel, as well as bad debt expense and amortization of customer contract intangible assets.

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General and administrative expenses consist primarily of salaries and related expenses, including stock-based compensation, accounting, legal and other professional service fees, and other general corporate expenses such as our corporate regional headquarters office leases and some depreciation expense.

We expect our cost of revenues, sales and marketing expenses and general and administrative expenses to grow in absolute dollars in connection with our business growth. We may periodically see a higher cost of revenues as a percentage of revenues, when a large expansion project opens or is acquired, and before it starts generating any meaningful revenue. Furthermore, in relation to cost of revenues, we note that the Americas region has a lower cost of revenues as a percentage of revenues than either EMEA or Asia-Pacific. This is due to both the increased scale and maturity of the Americas region, compared to either the EMEA or Asia-Pacific region, as well as a higher cost structure outside of the Americas, particularly in EMEA. As a result, to the extent that revenue growth outside the Americas grows in greater proportion than revenue growth in the Americas, our overall cost of revenues as a percentage of revenues may increase in future periods. Sales and marketing expenses may periodically increase as a percentage of revenues as we continue to scale our operations to invest in sales and marketing initiatives to further increase our revenues, including the hiring of additional headcount and new product innovations. General and administrative expenses may also periodically increase as a percentage of revenues as we continue to scale our operations to support our growth.

Taxation as a REIT

We elected to be taxed as a real estate investment trust for U.S. federal income tax purposes ("REIT") beginning with our 2015 taxable year. As of September 30, 2017, our REIT structure includes all of our data center operations in the U.S., Canada, Japan and most of our data center operations in Europe. Our data center operations in other jurisdictions are operated as taxable REIT subsidiaries ("TRSs").

As a REIT, we generally are permitted to deduct from our U.S. federal taxable income the dividends we pay to our stockholders. The income represented by such dividend payments is not subject to U.S. federal income tax at the entity level but is taxed, if at all, at the stockholder level. Nevertheless, the income of our domestic TRSs is subject, as applicable, to federal and state corporate income tax. Likewise, our foreign subsidiaries continue to be subject to foreign income taxes in jurisdictions in which they hold assets or conduct operations, regardless of whether held or conducted through TRSs or through qualified REIT subsidiaries ("QRSs"). We are also subject to a separate corporate income tax on gain recognized from a sale of a REIT asset where our basis in the asset is determined by reference to the basis of the asset in the hands of a C corporation (such as (i) an asset that we held as of the effective date of our REIT election, that is, January 1, 2015, or (ii) an asset that we or a QRS hold following the liquidation or other conversion of a former TRS). This built-in-gains tax is generally applicable to any disposition of such an asset during the five-year period after the date we first owned the asset as a REIT asset (e.g. January 1, 2015 in the case of REIT assets we held at the time of our REIT conversion), to the extent of the built-in-gain based on the fair market value of such asset on the date we first held the asset as a REIT asset. If we fail to remain qualified for U.S. federal income taxation as a REIT, we will be subject to federal income tax at regular corporate tax rates. Even if we remain qualified for U.S. federal income taxation as a REIT, we may be subject to some federal, state, local and foreign taxes on our income and property in addition to taxes owed with respect to our TRSs' operations. In particular, while state income tax regimes often parallel the federal income tax regime for REITs, many states do not completely follow federal rules and some may not follow them at all.

On March 22, 2017, June 21, 2017, and September 20, 2017, we paid quarterly cash dividends of \$2.00 per share, and on November 1, 2017 we declared a quarterly cash dividend of \$2.00 per share, payable on December 13, 2017 to stockholders of record on November 15, 2017. We expect the amount of all 2017 quarterly distributions and other applicable and deemed distributions to equal or exceed the taxable income to be recognized in 2017.

We continue to monitor our REIT compliance in order to maintain our qualification for U.S. federal income taxation as a REIT. For this and other reasons, as necessary we may convert certain of our data center operations in additional countries into the REIT structure in future periods.

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Results of Operations

Our results of operations for the three and nine months ended September 30, 2017 include the results of operations of the Verizon Data Center Acquisition from May 1, 2017, the IO Acquisition from February 3, 2017 and the Paris IBX data center acquisition (the "Paris IBX Data Center Acquisition") from January 1, 2017. Our results of operations for the three and nine months ended September 30, 2016 include the results of operations of Telecity Group from January 15, 2016 and the Paris IBX Data Center Acquisition from August 1, 2016.

Discontinued Operations

We present the results of operations associated with the TelecityGroup data centers that were divested in July 2016 as discontinued operations in our condensed consolidated statement of operations for the three and nine months ended September 30, 2016. We did not have any discontinued operations activity during the three and nine months ended September 30, 2017.

Three Months Ended September 30, 2017 and 2016

Revenues. Our revenues for the three months ended September 30, 2017 and 2016 were generated from the following revenue classifications and geographic regions (dollars in thousands):

	Three Months Ended September 30,				% Change	
	2017	%	2016	%	Actual	Constant Currency ⁽¹⁾
Americas:						
Recurring revenues	\$ 566,036	49%	\$ 404,462	44%	40%	40%
Non-recurring revenues	30,502	3%	20,680	2%	47%	47%
	596,538	52%	425,142	46%	40%	40%
EMEA:						
Recurring revenues	320,879	27%	286,190	31%	12%	9%
Non-recurring revenues	17,954	2%	15,060	2%	19%	15%
	338,833	29%	301,250	33%	12%	9%
Asia-Pacific:						
Recurring revenues	202,118	18%	186,354	20%	8%	11%
Non-recurring revenues	14,772	1%	11,930	1%	24%	28%
	216,890	19%	198,284	21%	9%	12%
Total:						
Recurring revenues	1,089,033	94%	877,006	95%	24%	23%
Non-recurring revenues	63,228	6%	47,670	5%	33%	32%
	\$ 1,152,261	100%	\$ 924,676	100%	25%	24%

⁽¹⁾ As defined in the "Non-GAAP Financial Measures" section in Item 2 of this Quarterly Report on Form 10-Q.

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Americas Revenues. Revenues for our Americas region for the three months ended September 30, 2017 included approximately \$137.0 million of revenues attributable to the Verizon Data Center Acquisition. Our revenues from the U.S., the largest revenue contributor in the Americas region for the period, represented approximately 91% and 92%, respectively, of the regional revenues during the three months ended September 30, 2017 and 2016. Excluding revenues attributable to the Verizon Data Center Acquisition, our Americas revenue growth was primarily due to (i) approximately \$17.5 million of revenues generated from our recently-opened IBX data centers or IBX data center expansions in the Chicago, Dallas, New York, Sao Paulo, Silicon Valley, Toronto and Washington, D.C. metro areas and (ii) an increase in orders from both our existing customers and new customers during the period. During the three months ended September 30, 2017, the impact of foreign currency fluctuations on our Americas revenues was not significant when compared to average exchange rates during the three months ended September 30, 2016.

EMEA Revenues. Revenues for our EMEA region for the three months ended September 30, 2017 included approximately \$5.2 million of revenues attributable to the Paris IBX Data Center Acquisition, which closed in August 2016, and the IO Acquisition, which closed in February 2017. Our revenues from the UK, the largest revenue contributor in the EMEA region for the period, represented approximately 32% and 31%, respectively, of the regional revenues during the three months ended September 30, 2017 and 2016. Excluding revenues attributable to the Paris IBX Data Center Acquisition and the IO Acquisition, our EMEA revenue growth was primarily due to (i) approximately \$24.4 million of revenues from our recently-opened IBX data centers or IBX data center expansions in the Amsterdam, Dubai, Dublin, Frankfurt, Helsinki, Paris, and Zurich metro areas and (ii) an increase in orders from both our existing customers and new customers during the period. During the three months ended September 30, 2017, the impact of foreign currency fluctuations resulted in approximately \$10.4 million of net favorable foreign currency impact to our EMEA revenues primarily due to a generally weaker U.S. dollar relative to the Euro during the three months ended September 30, 2017 compared to the three months ended September 30, 2016.

Asia-Pacific Revenues. Our revenues from Japan, the largest revenue contributor in the Asia-Pacific region for the period, represented approximately 34% and 36%, respectively, of the regional revenues during the three months ended September 30, 2017 and 2016. Our Asia-Pacific revenue growth was primarily due to (i) approximately \$8.3 million of revenue generated from our recently-opened IBX data center expansions in the Hong Kong, Osaka and Tokyo metro areas and (ii) an increase in orders from both our existing customers and new customers during the period. During the three months ended September 30, 2017, the impact of foreign currency fluctuations resulted in approximately \$5.3 million of net unfavorable foreign currency impact to our Asia-Pacific revenues primarily due to a generally stronger U.S. dollar relative to Japanese yen and Singapore dollar during the three months ended September 30, 2017 compared to the three months ended September 30, 2016.

Cost of Revenues. Our cost of revenues for the three months ended September 30, 2017 and 2016 were split among the following geographic regions (dollars in thousands):

	Three Months Ended September 30,				% Change	
	2017	%	2016	%	Actual	Constant Currency
Americas	\$ 270,488	46%	\$ 178,983	38%	51 %	51 %
EMEA	190,046	33%	167,189	36%	14 %	10%
Asia-Pacific	121,826	21%	124,130	26%	(2)%	1 %
Total	\$ 582,360	100%	\$ 470,302	100%	24 %	23%

	Three Months Ended September 30,	
	2017	2016
<i>Cost of revenues as a percentage of revenues:</i>		
Americas	45 %	42 %
EMEA	56 %	55 %
Asia-Pacific	56 %	63 %
Total	51 %	51 %

Americas Cost of Revenues. Cost of revenues for our Americas region for the three months ended September 30, 2017 included approximately \$72.3 million attributable to the Verizon Data Center Acquisition. Excluding the impact from the Verizon Data Center Acquisition, our Americas cost of revenues for the three months ended September 30, 2017 and 2016 included \$70.2 million and \$61.3 million, respectively, of depreciation expense. The increase in depreciation expense was primarily due to our IBX data

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center expansion activity. In addition to the increase in depreciation expense, the increase in our Americas cost of revenues for the three months ended September 30, 2017 compared to the three months ended September 30, 2016 was primarily due to (i) \$5.9 million of higher office expense, utilities, taxes, licenses, and insurance in support of our business growth and (ii) \$3.3 million of higher compensation costs, including general salaries, bonuses and stock-based compensation and higher headcount growth (1,090 Americas cost of revenues employees, excluding those from the Verizon Data Center Acquisition, as of September 30, 2017 versus 1,008 as of September 30, 2016). For the three months ended September 30, 2017, the impact of foreign currency fluctuations on our Americas cost of revenues was not significant when compared to average exchange rates of the three months ended September 30, 2016. We expect Americas cost of revenues to increase as we continue to grow our business, including results from the newly acquired business from the Verizon Data Center Acquisition.

EMEA Cost of Revenues. Cost of revenues for our EMEA region for the three months ended September 30, 2017 included approximately \$6.0 million attributable to the Paris IBX Data Center Acquisition and the IO Acquisition. Excluding the impacts from these acquisitions, the increase in our EMEA cost of revenues was primarily due to (i) \$7.4 million of higher utilities, taxes, licenses and insurance costs in support of our business growth, (ii) \$4.3 million of higher depreciation expense, and (iii) \$5.5 million of higher compensation costs, including general salaries and higher headcount growth (1,167 EMEA cost of revenues employees as of September 30, 2017 versus 1,003 as of September 30, 2016), partially offset by \$2.1 million of lower rent and facility costs. During the three months ended September 30, 2017, the impact of foreign currency fluctuations on our EMEA cost of revenues resulted in approximately \$5.6 million of net unfavorable foreign currency impact to our EMEA cost of revenues primarily due to a generally weaker U.S. dollar relative to Euro during the three months ended September 30, 2017 compared to the three months ended September 30, 2016. We expect EMEA cost of revenues to increase as we continue to grow our business.

Asia-Pacific Cost of Revenues. Our Asia-Pacific cost of revenues for the three months ended September 30, 2017 and 2016 included \$46.0 million and \$49.4 million, respectively, of depreciation expense. Our Asia-Pacific cost of revenues did not materially change during the three months ended September 30, 2017 compared to the three months ended September 30, 2016. During the three months ended September 30, 2017, the impact of foreign currency fluctuations resulted in approximately \$3.5 million of net favorable foreign currency impact to our Asia-Pacific cost of revenues primarily due to a generally stronger U.S. dollar relative to the Japanese yen and Singapore dollar during the three months ended September 30, 2017 compared to the three months ended September 30, 2016. We expect Asia-Pacific cost of revenues to increase as we continue to grow our business.

Sales and Marketing Expenses. Our sales and marketing expenses for the three months ended September 30, 2017 and 2016 were split among the following geographic regions (dollars in thousands):

	Three Months Ended September 30,				% Change	
	2017	%	2016	%	Actual	Constant Currency
Americas	\$ 99,599	63%	\$ 56,119	51%	77%	77%
EMEA	39,359	25%	36,703	33%	7%	6%
Asia-Pacific	18,661	12%	18,114	16%	3%	5%
Total	\$ 157,619	100%	\$ 110,936	100%	42%	42%

	Three Months Ended September 30,	
	2017	2016
<i>Sales and marketing expenses as a percentage of revenues:</i>		
Americas	17%	13%
EMEA	12%	12%
Asia-Pacific	9%	9%
Total	14%	12%

Americas Sales and Marketing Expenses. The increase in our Americas sales and marketing expenses for the three months ended September 30, 2017 was primarily due to (i) \$27.3 million of amortization of the acquired intangible assets in connection with the Verizon Data Center Acquisition, (ii) \$11.4 million of higher compensation costs, including sales compensation, general salaries and stock-based compensation and headcount growth (665 Americas sales and marketing employees, including those from the Verizon Data Center Acquisition, as of September 30, 2017 versus 545 as of September 30, 2016) and (iii) \$2.0 million of higher consulting expense to support our business growth. For the three months ended September 30, 2017, the impact of foreign currency fluctuations on our Americas sales and marketing expenses was not significant when compared to average exchange

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rates of the three months ended September 30, 2016. Over the past several years, we have been investing in our Americas sales and marketing initiatives to further increase our revenues. These investments have included the hiring of additional headcount and new product innovation efforts. We anticipate that we will continue to invest in Americas sales and marketing initiatives. We expect our Americas sales and marketing expenses to continue to increase as we continue to grow our business, including impact from the Verizon Data Center Acquisition.

EMEA Sales and Marketing Expenses. The increase in sales and marketing expenses for our EMEA region for the three months ended September 30, 2017 was primarily due to \$4.0 million of higher compensation costs, including sales compensation, general salaries, bonuses, stock-based compensation and headcount growth (378 EMEA sales and marketing employees as of September 30, 2017 versus 332 as of September 30, 2016), partially offset by a decrease in amortization and bad debt expenses. For the three months ended September 30, 2017, the impact of foreign currency fluctuations on our EMEA sales and marketing expenses was not significant when compared to average exchange rates of the three months ended September 30, 2016. Over the past several years, we have been investing in our EMEA sales and marketing initiatives to further increase our revenues. These investments have included the hiring of additional headcount and new product innovation efforts. We expect our EMEA sales and marketing expenses to increase as we continue to grow our business.

Asia-Pacific Sales and Marketing Expenses. Our Asia-Pacific sales and marketing expenses did not materially change during the three months ended September 30, 2017 compared to the three months ended September 30, 2016. For the three months ended September 30, 2017, the impact of foreign currency fluctuations on our Asia-Pacific sales and marketing expenses was not significant when compared to average exchange rates of the three months ended September 30, 2016. Over the past several years, we have been investing in our Asia-Pacific sales and marketing initiatives to further increase our revenues. These investments have included the hiring of additional headcount and new product innovation efforts. We expect our Asia-Pacific sales and marketing expenses to increase as we continue to grow our business.

General and Administrative Expenses. Our general and administrative expenses for the three months ended September 30, 2017 and 2016 were split among the following geographic regions (dollars in thousands):

	Three Months Ended September 30,				% Change	
	2017	%	2016	%	Actual	Constant Currency
Americas	\$ 119,434	64%	\$ 99,422	54%	20 %	20 %
EMEA	44,380	24%	62,583	35%	(29)%	(30)%
Asia-Pacific	21,522	12%	19,234	11%	12 %	15 %
Total	<u>\$ 185,336</u>	<u>100%</u>	<u>\$ 181,239</u>	<u>100%</u>	2 %	2 %

	Three Months Ended September 30,	
	2017	2016
<i>General and administrative expenses as a percentage of revenues:</i>		
Americas	20 %	23 %
EMEA	13 %	21 %
Asia-Pacific	10 %	10 %
Total	16 %	20 %

Americas General and Administrative Expenses. The increase in our Americas general and administrative expenses was primarily due to (i) \$8.9 million of higher compensation costs, including general salaries, bonuses, stock-based compensation, and headcount growth (1,088 Americas general and administrative employees, including those from the Verizon Data Center Acquisition, as of September 30, 2017 versus 919 as of September 30, 2016), (ii) \$4.5 million of higher office and consulting expenses in support of our business growth and (iii) \$5.1 million of higher depreciation expense associated with the implementation of certain systems, including revenue, data management and cloud exchange systems, to improve our quote to order and billing processes and to support the integration and growth of our business. During the three months ended September 30, 2017, the impact of foreign currency fluctuations on our Americas general and administrative expenses was not significant when compared to average exchange rates for the three months ended September 30, 2016. Going forward, although we are carefully monitoring our spending, we expect Americas general and administrative expenses to increase as we continue to further support our operations, including additional investments in our back office systems and maintaining our REIT qualification, and impact from the Verizon Data Center Acquisition.

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EMEA General and Administrative Expenses. The decrease in our EMEA general and administrative expenses was primarily due to \$9.2 million of lower amortization expense as a result of fully amortizing the TelecityGroup trade names during the third quarter of 2017, \$4.9 million of lower consulting costs and \$2.2 million of lower compensation expenses largely due to the completion of TelecityGroup integration activities in the current quarter. For the three months ended September 30, 2017, the impact of foreign currency fluctuations on our EMEA general and administrative expenses was not significant when compared to average exchange rates for the three months ended September 30, 2016. Over the last several years, we have been investing in our EMEA general and administrative functions as a result of our ongoing efforts to scale this region effectively for growth. Going forward, although we are carefully monitoring our spending, we expect our EMEA general and administrative expenses to increase in future periods as we continue to further support our operations.

Asia-Pacific General and Administrative Expenses. Our Asia-Pacific general and administrative expenses did not materially change during the three months ended September 30, 2017 compared to the three months ended September 30, 2016. The impact of foreign currency fluctuations on our Asia-Pacific general and administrative expenses for the three months ended September 30, 2017 was not significant when compared to average exchange rates of the three months ended September 30, 2016. Going forward, although we are carefully monitoring our spending, we expect Asia-Pacific general and administrative expenses to increase as we continue to further support our operations.

Acquisition Costs. During the three months ended September 30, 2017, we recorded acquisition costs totaling \$2.1 million primarily for the Verizon Data Center Acquisition in the Americas region. During the three months ended September 30, 2016, we recorded acquisition costs totaling \$12.5 million primarily in the EMEA region due to the Paris IBX Data Center Acquisition.

Impairment Charges. During the three months ended September 30, 2016, we recorded impairment charges totaling \$7.7 million in the Asia-Pacific region relating to assets held for sale. We did not have impairment charges during the three months ended September 30, 2017.

Gain on Asset Sales. During the three months ended September 30, 2016, we recorded a gain of \$27.9 million on the sale of the London 2 ("LD2") data center in the EMEA region. We did not have any asset sales during the three months ended September 30, 2017.

Income from Continuing Operations. Our income from continuing operations for the three months ended September 30, 2017 and 2016 was split among the following geographic regions (dollars in thousands):

	Three Months Ended September 30,				% Change	
	2017	%	2016	%	Actual	Constant Currency
Americas	\$ 105,785	47%	\$ 89,004	53%	19%	19%
EMEA	64,197	29%	51,829	30%	24%	16%
Asia-Pacific	54,881	24%	29,108	17%	89%	91%
Total	\$ 224,863	100%	\$ 169,941	100%	32%	30%

Americas Income from Continuing Operations. The increase in our Americas income from continuing operations was primarily due to higher income generated from the Verizon Data Center Acquisition, higher revenues as a result of our IBX data center expansion activity and organic growth as described above and lower general and administration expenses as a percentage of revenues. The impact of foreign currency fluctuations on our Americas income from continuing operations for the three months ended September 30, 2017 was not significant when compared to average exchange rates of the three months ended September 30, 2016.

EMEA Income from Continuing Operations. Despite the impact of \$27.9 million gain on asset sales from LD2 during three months ended September 30, 2016, the increase in our EMEA income from continuing operations was primarily due to higher revenues as a result of our IBX data center expansion activity and acquisitions, as described above, as well as lower general and administration expenses as a percentage of revenues, which was primarily due to lower amortization costs as a result of fully amortizing the TelecityGroup trade names during the third quarter of 2017, and lower acquisition costs incurred for the three months ended September 30, 2017. We incurred \$0.9 million of acquisition costs for the three months ended September 30, 2017 and \$10.9 million of acquisition costs, which was primarily related to the Paris IBX Data Center Acquisition, during the three months ended September 30, 2016. The impact of foreign currency fluctuations on our EMEA income from continuing operations for the three months ended September 30, 2017 resulted in approximately \$3.9 million of net favorable foreign currency impact to our EMEA income from continuing operations primarily due to a generally weaker U.S. dollar relative to Euro during the three months ended September 30, 2017 compared to the three months ended September 30, 2016.

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Asia-Pacific Income from Continuing Operations. The increase in our Asia-Pacific income from continuing operations was primarily due to higher revenues as a result of our IBX data center expansion activity and organic growth as described above and lower cost of revenues as a percentage of revenues. In addition, there was \$7.7 million of impairment charges relating to assets held for sale for the three months ended September 30, 2016 while there was no similar charge for three months ended September 30, 2017. The impact of foreign currency fluctuations on our Asia-Pacific income from continuing operations for the three months ended September 30, 2017 was not significant when compared to average exchange rates for the three months ended September 30, 2016.

Interest Income. Interest income was \$2.3 million and \$0.8 million, respectively, for the three months ended September 30, 2017 and 2016. The average annualized yield for the three months ended September 30, 2017 was 0.68% versus 0.41% for the three months ended September 30, 2016.

Interest Expense. Interest expense increased to \$121.8 million for the three months ended September 30, 2017 from \$92.2 million for the three months ended September 30, 2016. The increase in interest expense was primarily due to the Term B-2 Loan borrowings of €1.0 billion, or approximately \$1.1 billion at the exchange rate in effect at the time of borrowing in January 2017. Additionally, the increase was also attributable to our issuance of \$1.25 billion of 2027 Senior Notes in March 2017, as well as additional financings such as various capital lease and other financing obligations to support our expansion projects. The remaining increase was attributable to our issuance of €1.0 billion, or approximately \$1.2 billion at the exchange rate in effect at the time of borrowing in September 2017, of the 2025 Euro Senior Notes. During the three months ended September 30, 2017 and 2016, we capitalized \$6.2 million and \$3.2 million, respectively, of interest expense to construction in progress. We expect to incur higher interest expense going forward in connection with higher indebtedness that we incurred during 2017.

Other Income (Expense). We recorded net other expense of \$1.1 million and net other income of \$2.9 million, respectively, for the three months ended September 30, 2017 and September 30, 2016, which was primarily due to foreign currency exchange gains and losses during those periods.

Loss on debt extinguishment. We recorded a \$22.2 million net loss on debt extinguishment during the three months ended September 30, 2017. During the three months ended September 30, 2017, we recorded \$14.6 million loss on debt extinguishment in connection with the repayment of all of our 4.875% senior notes and \$7.6 million net loss on debt extinguishment as a result of an amendment of financing obligations for a data center in Santa Clara and other various lease modifications and terminations. During the three months ended September 30, 2016, we recorded a \$9.9 million loss on debt extinguishment as a result of the settlement of the financing obligations for our Paris 3 IBX data center.

Income Taxes. Effective January 1, 2015, we have operated as a REIT for U.S. federal income tax purposes. As a REIT, we are generally not subject to federal income taxes on our taxable income distributed to our stockholders. We intend to distribute and have distributed the entire taxable income generated by the operations of the Company parent and its QRSs for the tax years ended December 31, 2017 and December 31, 2016, respectively. As such, no provision for U.S. income taxes for the REIT and its QRSs has been included in the accompanying condensed consolidated financial statements for the three months ended September 30, 2017 and 2016.

We have made TRS elections for some of our subsidiaries in and outside the U.S. In general, a TRS may provide services that would otherwise be considered impermissible for REITs to provide and may hold assets that REITs cannot hold directly. U.S. income taxes for the TRS entities located in the U.S. and foreign income taxes for our foreign operations regardless of whether the foreign operations are operated as a QRS or TRS have been accrued, as necessary, for the three months ended September 30, 2017 and 2016.

For the three months ended September 30, 2017 and 2016, we recorded \$2.2 million and \$22.8 million of income tax expense, respectively. Our effective tax rates were 2.7% and 31.8%, respectively, for the three months ended September 30, 2017 and 2016. The decrease in effective tax rate is primarily driven by the realization of unrecognized tax benefits in the current quarter related to the Company's tax positions as a result of the expiration of a statute of limitations.

Income from Discontinued Operations. Our net income from discontinued operations was \$2.7 million for the three months ended September 30, 2016. We did not have discontinued operations during the three months ended September 30, 2017.

Adjusted EBITDA. Adjusted EBITDA is a key factor in how we assess the operating performance of our segments and develop regional growth strategies such as IBX data center expansion decisions. We define adjusted EBITDA as income or loss from operations plus depreciation, amortization, accretion, stock-based compensation expense, restructuring charges, impairment charges, acquisition costs and gain on asset sales. See "Non-GAAP Financial Measures" below for more information about adjusted EBITDA and a reconciliation of adjusted EBITDA to income or loss from operations. Our adjusted EBITDA for the three months ended September 30, 2017 and 2016 was split among the following geographic regions (dollars in thousands):

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	Three Months Ended September 30,				% Change	
	2017	%	2016	%	Actual	Constant Currency
Americas	\$ 292,101	53%	\$ 202,131	48%	45%	44%
EMEA	146,464	27%	121,468	29%	21%	16%
Asia-Pacific	111,754	20%	96,443	23%	16%	18%
Total	\$ 550,319	100%	\$ 420,042	100%	31%	30%

Americas Adjusted EBITDA. The increase in our Americas adjusted EBITDA was primarily due to the Verizon Data Center Acquisition and higher revenues as a result of our IBX data center expansion activity and organic growth as described above. The impact of foreign currency fluctuations on our Americas adjusted EBITDA for the three months ended September 30, 2017 was not significant when compared to average exchange rates of the three months ended September 30, 2016.

EMEA Adjusted EBITDA. The increase in our EMEA adjusted EBITDA was primarily due to higher revenues as a result of our IBX data center expansion activity and acquisitions, as described above, and lower integration costs relating to the TelecityGroup Acquisition in the current year compared to the same period in the prior year. During the three months ended September 30, 2017, currency fluctuations resulted in approximately \$5.7 million of net favorable foreign currency impact to our EMEA adjusted EBITDA primarily due to a generally weaker U.S. dollar relative to Euro during the three months ended September 30, 2017 compared to the three months ended September 30, 2016.

Asia-Pacific Adjusted EBITDA. The increase in our Asia-Pacific adjusted EBITDA was primarily due to higher revenues as a result of our IBX data center expansion activity and organic growth as described above and lower cost of revenues as a percentage of revenues. During the three months ended September 30, 2017, the impact of foreign currency fluctuations resulted in approximately \$2.4 million of net unfavorable foreign currency impact to our Asia-Pacific adjusted EBITDA primarily due to a generally stronger U.S. dollar relative to Japanese yen and Singapore dollar during the three months ended September 30, 2017 compared to the three months ended September 30, 2016.

Nine Months Ended September 30, 2017 and 2016

Revenues. Our revenues for the nine months ended September 30, 2017 and 2016 were generated from the following revenue classifications and geographic regions (dollars in thousands):

	Nine Months Ended September 30,				% change	
	2017	%	2016	%	Actual	Constant currency
Americas:						
Recurring revenues	\$ 1,492,059	47%	\$ 1,178,097	44%	27%	26%
Non-recurring revenues	74,534	2%	64,910	2%	15%	14%
	1,566,593	49%	1,243,007	46%	26%	25%
EMEA:						
Recurring revenues	922,067	29%	821,381	31%	12%	16%
Non-recurring revenues	54,557	2%	48,334	2%	13%	16%
	976,624	31%	869,715	33%	12%	16%
Asia-Pacific:						
Recurring revenues	583,395	19%	525,454	20%	11%	12%
Non-recurring revenues	41,595	1%	31,166	1%	33%	35%
	624,990	20%	556,620	21%	12%	14%
Total:						
Recurring revenues	2,997,521	95%	2,524,932	95%	19%	20%
Non-recurring revenues	170,686	5%	144,410	5%	18%	20%
	\$ 3,168,207	100%	\$ 2,669,342	100%	19%	20%

Americas Revenues. Revenues for our Americas region for the nine months ended September 30, 2017 included approximately \$223.7 million of revenues attributable to the Verizon Data Center Acquisition. Our revenues from the U.S., the largest revenue

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contributor in the Americas region for the period, represented approximately 91% and 93%, respectively, of the regional revenues during the nine months ended September 30, 2017 and 2016. Excluding revenues attributable to the Verizon Data Center Acquisition, growth in Americas revenues was primarily due to (i) approximately \$37.2 million of revenues generated from our recently-opened IBX data centers or IBX data center expansions in the Chicago, Dallas, New York, Sao Paulo, Silicon Valley, Toronto and Washington, D.C. metro areas and (ii) an increase in orders from both our existing customers and new customers during the period. During the nine months ended September 30, 2017, the U.S. dollar was generally weaker relative to the Brazilian real than during the nine months ended September 30, 2016, resulting in approximately \$10.3 million of net favorable foreign currency impact to our Americas revenues during the nine months ended September 30, 2017 compared to average exchange rates during the nine months ended September 30, 2016.

EMEA Revenues. Revenues for our EMEA region for the nine months ended September 30, 2017 include \$29.9 million of revenues attributable to the first 15 days of 2017 resulting from the acquisition of TelecityGroup that closed on January 15, 2016, the Paris IBX Data Center Acquisition, which closed in August 2016, and the IO Acquisition, which closed in February 2017. Our revenues from the UK, the largest revenue contributor in the EMEA region, represented approximately 30% of regional revenues for the nine months ended September 30, 2017 compared to 33% of regional revenues for the nine months ended September 30, 2016. Excluding the acquisitions, our EMEA revenue growth was primarily due to (i) approximately \$55.3 million of revenues from our recently-opened IBX data centers or IBX data center expansions in the Amsterdam, Dubai, Dublin, Frankfurt, Helsinki, Paris and Zurich metro areas and (ii) an increase in orders from both our existing customers and new customers during the period. During the nine months ended September 30, 2017, the impact of foreign currency fluctuations resulted in approximately \$29.7 million of net unfavorable foreign currency impact to our EMEA revenues primarily due to a generally stronger U.S. dollar relative to the Euro during the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016.

Asia-Pacific Revenues. Our revenues from Japan, our largest revenue contributor in the Asia-Pacific region, represented approximately 34% of regional revenues for both nine-month periods ended September 30, 2017 and 2016. Our Asia-Pacific revenue growth was primarily due to (i) approximately \$26.2 million of revenues generated from our recently-opened IBX data center expansions in the Hong Kong, Osaka and Tokyo metro areas and (ii) an increase in orders from both our existing customers and new customers during the period. During the nine months ended September 30, 2017, the U.S. dollar was generally stronger relative to the Japanese yen and Singapore dollar than during the nine months ended September 30, 2016, resulting in approximately \$7.4 million of net unfavorable foreign currency impact to our Asia-Pacific revenues during the nine months ended September 30, 2017 when compared to average exchange rates during the nine months ended September 30, 2016.

Cost of Revenues. Our cost of revenues for the nine months ended September 30, 2017 and 2016 were split among the following geographic regions (dollars in thousands):

	Nine Months Ended September 30,				% change	
	2017	%	2016	%	Actual	Constant currency
Americas	\$ 680,942	44%	\$ 520,123	38%	31%	30%
EMEA	538,661	34%	488,920	36%	10%	13%
Asia-Pacific	353,921	22%	345,906	26%	2%	4%
Total	\$ 1,573,524	100%	\$ 1,354,949	100%	16%	17%

	Nine Months Ended September 30,	
	2017	2016
<i>Cost of revenues as a percentage of revenues:</i>		
Americas	43%	42%
EMEA	55%	56%
Asia-Pacific	57%	62%
Total	50%	51%

Americas Cost of Revenues. Cost of revenues for our Americas region for the nine months ended September 30, 2017 included approximately \$109.4 million of cost of revenues attributable to the Verizon Data Center Acquisition. Excluding the impact from the Verizon Data Center Acquisition, depreciation expense was \$199.3 million and \$179.5 million for the nine months ended September 30, 2017 and 2016, respectively. The growth in depreciation expense was primarily due to our IBX expansion activity.

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In addition to the \$19.8 million increase in depreciation expense, the remaining increase in our Americas cost of revenues for the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016 was primarily due to (i) \$18.2 million of higher utilities, repairs and maintenance, taxes, licenses, insurance, and other cost of sales in support of our business growth, and (ii) \$9.1 million of higher compensation costs, including sales compensation, general salaries, bonuses, stock-based compensation and higher headcount growth (1,090 Americas cost of revenues employees, excluding those from the Verizon Data Center Acquisition, as of September 30, 2017 versus 1,008 as of September 30, 2016). During the nine months ended September 30, 2017, the impact of foreign currency fluctuations resulted in approximately \$7.0 million of net unfavorable foreign currency impact to our Americas cost of revenues primarily due to a generally weaker U.S. dollar relative to the Brazilian real during the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016. We expect Americas cost of revenues to increase as we continue to grow our business, including results from the newly acquired business from the Verizon Data Center Acquisition.

EMEA Cost of Revenues. Cost of revenues for our EMEA region for the nine months ended September 30, 2017 included \$27.0 million of cost of revenues attributable to the first 15 days of 2017 resulting from the acquisition of TelecityGroup that closed on January 15, 2016, the Paris IBX Data Center Acquisition, which closed in August 2016, and the IO Acquisition, which closed in February 2017. Excluding cost of revenues attributable to these acquisitions, the increase in our EMEA cost of revenues was primarily due to \$17.3 million of other cost of sales, including third party and managed service expenses and \$14.3 million of higher utilities in support of our business growth, partially offset by \$6.8 million of lower depreciation and accretion expense resulting from real estate purchases and lease renewals and \$5.4 million of lower office expense, rent and repairs and maintenance expense. During the nine months ended September 30, 2017 the impact of foreign currency fluctuations on our EMEA cost of revenues resulted in approximately \$16.2 million of net favorable foreign currency impact to our EMEA cost of revenues primarily due to a generally weaker U.S. dollar relative to the British pound during the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016. We expect EMEA cost of revenues to increase as we continue to grow our business.

Asia-Pacific Cost of Revenues. The increase in our Asia-Pacific cost of revenues was primarily due to (i) \$11.5 million higher consulting, utilities, bandwidth cost, managed service expense and other cost of sales to support our business growth and (ii) \$2.3 million of higher compensation costs, including sales compensation, general salaries, bonuses and stock-based compensation and headcount growth (818 Asia-Pacific cost of revenues employees as of September 30, 2017 versus 794 as of September 30, 2016), partially offset by \$5.9 million decrease in depreciation and accretion expenses. During the nine months ended September 30, 2017, the U.S. dollar was generally stronger relative to the Japanese yen and Singapore dollar than during the nine months ended September 30, 2016, resulting in approximately \$4.5 million of net favorable foreign currency impact to our Asia-Pacific cost of revenues during the nine months ended September 30, 2017 when compared to average exchange rates during the nine months ended September 30, 2016. We expect Asia-Pacific cost of revenues to increase as we continue to grow our business.

Sales and Marketing Expenses. Our sales and marketing expenses for the nine months ended September 30, 2017 and 2016 were split among the following geographic regions (dollars in thousands):

	Nine Months Ended September 30,				% change	
	2017	%	2016	%	Actual	Constant currency
Americas	\$ 251,988	59%	\$ 171,128	52%	47%	47%
EMEA	117,307	27%	102,757	32%	14%	20%
Asia-Pacific	58,817	14%	51,473	16%	14%	16%
Total	\$ 428,112	100%	\$ 325,358	100%	32%	33%

	Nine Months Ended September 30,	
	2017	2016
<i>Sales and marketing expenses as a percentage of revenues:</i>		
Americas	16%	14%
EMEA	12%	12%
Asia-Pacific	9%	9%
Total	14%	12%

Americas Sales and Marketing Expenses. The increase in our Americas sales and marketing expenses was primarily due to (i) \$47.3 million of amortization of the acquired intangible assets in connection with the Verizon Data Center Acquisition, (ii)

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\$26.4 million of higher compensation costs, including sales compensation, general salaries, bonuses and stock-based compensation and headcount growth 665 Americas sales and marketing employees, including those from the Verizon Data Center Acquisition, as of September 30, 2017 versus 545 as of September 30, 2016) and (iii) \$3.9 million of higher consulting expenses to support our growth. During the nine months ended September 30, 2017, the impact of foreign currency fluctuations on our Americas sales and marketing expenses was not significant when compared to average exchange rates during the nine months ended September 30, 2016. We anticipate that we will continue to invest in Americas sales and marketing initiatives and expect our Americas sales and marketing expenses to continue to increase as we continue to grow our business, including impact from the Verizon Data Center Acquisition.

EMEA Sales and Marketing Expenses. The increase in sales and marketing expenses for our EMEA region was primarily due to (i) \$9.0 million of higher compensation costs, including sales compensation, general salaries, bonuses, stock-based compensation and headcount growth (378 EMEA sales and marketing employees as of September 30, 2017 versus 332 as of September 30, 2016) and (ii) \$4.0 million of higher bad debt expenses. During the nine months ended September 30, 2017, the impact of foreign currency fluctuations on our EMEA sales and marketing expenses resulted in approximately \$5.9 million of net favorable foreign currency impact to our EMEA sales and marketing expenses primarily due to a generally stronger U.S. dollar relative to the British pound during the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016. Over the past several years, we have been investing in our EMEA sales and marketing initiatives to further increase our revenues. These investments have included the hiring of additional headcount and new product innovation efforts. We expect our EMEA sales and marketing expenses to increase as we continue to grow our business.

Asia-Pacific Sales and Marketing Expenses. The increase in our Asia-Pacific sales and marketing expenses was primarily due to \$2.6 million of higher rent expense in support of our growth and \$5.5 million of higher compensation costs, including sales compensation, general salaries, bonuses, stock-based compensation and headcount growth (298 Asia-Pacific sales and marketing employees as of September 30, 2017 versus 277 as of September 30, 2016), partially offset by a decrease in bad debt expense. For the nine months ended September 30, 2017, the impact of foreign currency fluctuations on our Asia-Pacific sales and marketing expenses was not significant when compared to average exchange rates for the nine months ended September 30, 2016. Over the past several years, we have been investing in our Asia-Pacific sales and marketing initiatives to further increase our revenues. These investments have included the hiring of additional headcount and new product innovation efforts. We expect our Asia-Pacific sales and marketing expenses to increase as we continue to grow our business.

General and Administrative Expenses. Our general and administrative expenses for the nine months ended September 30, 2017 and 2016 were split among the following geographic regions (dollars in thousands):

	Nine Months Ended September 30,				% change	
	2017	%	2016	%	Actual	Constant currency
Americas	\$ 344,754	62%	\$ 289,363	56%	19 %	19 %
EMEA	152,016	27%	171,031	33%	(11)%	(6)%
Asia-Pacific	61,320	11%	55,211	11%	11 %	13 %
Total	\$ 558,090	100%	\$ 515,605	100%	8 %	10 %

	Nine Months Ended September 30,	
	2017	2016
<i>General and administrative expenses as a percentage of revenues:</i>		
Americas	22 %	23 %
EMEA	16 %	20 %
Asia-Pacific	10 %	10 %
Total	18 %	19 %

Americas General and Administrative Expenses. The increase in our Americas general and administrative expenses was primarily due to (i) \$23.0 million of higher compensation costs, including general salaries, bonuses, stock-based compensation, and headcount growth (1,088 Americas general and administrative employees, including those from the Verizon Data Center Acquisition, as of September 30, 2017 versus 919 as of September 30, 2016), (ii) \$16.8 million of higher depreciation expense associated with certain systems, including revenue, data management and cloud exchange systems, to improve our quote to order and billing processes and to support the integration and growth of our business and (iii) \$12.0 million of higher office expense

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and consulting cost to support our growth. During the nine months ended September 30, 2017, the impact of foreign currency fluctuations on our Americas general and administrative expenses was not significant when compared to average exchange rates for the nine months ended September 30, 2016. Over the course of the past year, we have been investing in our Americas general and administrative functions to scale this region effectively for growth, which has included additional investments in improving our back office systems. We expect our current efforts to improve our back office systems will continue over the next several years. Going forward, although we are carefully monitoring our spending, we expect Americas general and administrative expenses to increase as we continue to further scale our operations to support our growth, including these investments in our back office systems and maintaining our REIT qualification. We also expect our Americas general and administrative expenses to increase as we continue to grow our business and as a result of the Verizon Data Center Acquisition.

EMEA General and Administrative Expenses. The decrease in our EMEA general and administrative expenses was primarily due to (i) \$11.4 million of lower depreciation and amortization expenses as a result of fully amortizing the TelecityGroup trade names during the third quarter of 2017, (ii) \$3.3 million of lower consulting expenses which was largely due to the completion of TelecityGroup integration activities in the current period and (iii) \$2.8 million of lower compensation costs. During the nine months ended September 30, 2017, the impact of foreign currency fluctuations on our EMEA general and administrative expenses resulted in approximately \$8.8 million of net favorable foreign currency impact to our EMEA general and administrative expenses primarily due to a generally stronger U.S. dollar relative to the British pound during the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016. Over the course of the past year, we have been investing in our EMEA general and administrative functions as a result of our ongoing efforts to scale this region effectively for growth. Going forward, although we are carefully monitoring our spending, we expect our EMEA general and administrative expenses to increase in future periods as we continue to scale our operations to support our growth.

Asia-Pacific General and Administrative Expenses. The increase in our Asia-Pacific general and administrative expense was primarily due to \$4.9 million of higher depreciation expenses and \$2.7 million of higher compensation costs, including general salaries, bonuses, stock-based compensation and headcount growth (427 Asia-Pacific general and administrative employees as of September 30, 2017 versus 340 as of September 30, 2016), which partially offset by a decrease in rent, repair and maintenance expense. For the nine months ended September 30, 2017, the impact of foreign currency fluctuations on our Asia-Pacific general and administrative expenses was not significant when compared to average exchange rates of the nine months ended September 30, 2016. Going forward, although we are carefully monitoring our spending, we expect Asia-Pacific general and administrative expenses to increase as we continue to support our growth.

Acquisition Costs. During the nine months ended September 30, 2017, we recorded acquisition costs totaling \$31.5 million primarily in the Americas and EMEA regions. \$27.0 million of acquisition costs in Americas region was primarily related to the Verizon Data Center Acquisition during the nine months ended September 30, 2017. During the nine months ended September 30, 2016, we recorded acquisition costs totaling \$64.6 million primarily in the EMEA region due to the acquisitions of Telecity and the Paris IBX Data Center.

Impairment Charges. During the nine months ended September 30, 2016, we recorded impairment charges totaling \$7.7 million in the Asia-Pacific region relating to assets held for sale. We did not have impairment charges during the nine months ended September 30, 2017.

Gains on Asset Sales. During the nine months ended September 30, 2016, we recorded gains on asset sales of \$33.2 million relating to the sales of the LD2 data center in the EMEA region and the San Jose land parcel in the Americas region. We did not have any gain on asset sales during the nine months ended September 30, 2017.

Income from Continuing Operations. Our income from continuing operations for the nine months ended September 30, 2017 and 2016 was split among the following geographic regions (dollars in thousands):

	Nine Months Ended September 30,				% change	
	2017	%	2016	%	Actual	Constant currency
Americas	\$ 261,934	46%	\$ 264,643	61%	(1)%	(2)%
EMEA	164,105	28%	73,506	17%	123 %	121 %
Asia-Pacific	150,932	26%	96,135	22%	57 %	58 %
Total	\$ 576,971	100%	\$ 434,284	100%	33 %	33 %

Americas Income from Continuing Operations. The decrease in our Americas income from continuing operations was primarily due to higher acquisition costs, increased depreciation and amortization of intangibles in connection with the Verizon Data Center Acquisition and higher operating costs as a percentage of revenues. During the nine months ended September 30, 2017, we incurred

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\$27.0 million of acquisition costs, which was primarily related to the Verizon Data Center Acquisition and \$3.0 million of acquisition costs during the nine months ended September 30, 2016. Additionally, we incurred additional amortization of the acquired intangible assets resulted from the Verizon Data Center Acquisition, partially offset by higher revenues as result of our IBX data center expansion activity, organic growth and the Verizon Data Center Acquisition as described above. In addition, we recorded \$5.2 million gain on sale of San Jose land parcel during the nine months ended September 30, 2016. The impact of foreign currency fluctuations on our Americas income from continuing operations for the nine months ended September 30, 2017 was not significant when compared to average exchange rates of thenine months ended September 30, 2016.

EMEA Income from Continuing Operations. The increase in our EMEA income from continuing operations was primarily due to higher revenues as a result of our IBX data center expansion activity and acquisitions, as described above, as well as lower cost of revenues as a percentage of revenues, lower amortization costs as a result of fully amortizing the TelectyGroup trade names during the third quarter of 2017 and lower acquisition costs incurred for the nine months ended September 30, 2017. We incurred \$4.5 million of acquisition costs during the nine months ended September 30, 2017 and \$61.4 million of acquisition costs, which was primarily related to our acquisition of TelectyGroup, during the nine months ended September 30, 2016. Additionally, we recognized \$27.9 million gain on the sale of the LD2 data center during the nine months ended September 30, 2016 while there were no assets held for sale transactions occurred during thenine months ended September 30, 2017. During the nine months ended September 30, 2017, the impact of foreign currency fluctuations on our EMEA income from continuing operations was not significant when compared to average exchange rates of the nine months ended September 30, 2016.

Asia-Pacific Income from Continuing Operations. The increase in our Asia-Pacific income from continuing operations was primarily due to higher revenues as result of our IBX data center expansion activity and organic growth as described above and lower cost of revenues as a percentage of revenues. During the nine months ended September 30, 2017, the impact of foreign currency fluctuations on our Asia-Pacific income from continuing operations was not significant when compared to average exchange rates of the nine months ended September 30, 2016.

Interest Income. Interest income was \$9.8 million and \$2.5 million, respectively, for the nine months ended September 30, 2017 and 2016. The average annualized yield for the nine months ended September 30, 2017 was 0.57% versus 0.36% for the nine months ended September 30, 2016.

Interest Expense. Interest expense increased to \$352.6 million for the nine months ended September 30, 2017 from \$293.4 million for the nine months ended September 30, 2016. The increase in interest expense was primarily due to the Term B-2 Loan borrowings of €1.0 billion, or approximately \$1.1 billion at the exchange rate in effect at the time of borrowing in January 2017. Additionally, the increase was also attributable to our issuance of \$1.25 billion of 2027 Senior Notes in March 2017, as well as additional financings such as various capital lease and other financing obligations to support our expansion projects. The remaining increase was attributable to our issuance of €1.0 billion, or approximately \$1.2 billion at the exchange rate in effect at the time of borrowing in September 2017, of the 2025 Euro Senior Notes. During thaine months ended September 30, 2017 and 2016, we capitalized \$20.6 million and \$9.5 million, respectively, of interest expense to construction in progress. We expect to incur higher interest expense going forward in connection with higher indebtedness that we incurred during 2017.

Other Income (Expense). We recorded net other income of \$0.5 million and net expense of \$56.2 million, respectively, of other income (expense), for the nine months ended September 30, 2017 and 2016, primarily due to foreign currency exchange gains and losses during the periods, including \$63.5 million in foreign currency losses recognized in the first quarter of 2016 as a result of completing the acquisition of TelectyGroup.

Loss on debt extinguishment. We recorded \$42.1 million net loss on debt extinguishment during thenine months ended September 30, 2017 due to amendments of lease and financing obligations in Americas, Asia Pacific and EMEA regions and lease terminations in connection of real estate property purchases in Americas and EMEA regions. In addition, we recorded \$14.6 million loss on debt extinguishment in connection with the repayment of all of our 4.875% senior notes. During the nine months ended September 30, 2016, we recorded \$10.5 million loss on debt extinguishment as a result of the settlement of the financing obligations for our Paris 3 IBX data center as well as the repayment and termination of our 2012 and 2013 Brazil financings.

Income Taxes. Effective January 1, 2015, we have operated as a REIT for U.S. federal income tax purposes. As a REIT, we are generally not subject to federal income taxes on our taxable income distributed to our stockholders. We intend to distribute and have distributed the entire taxable income generated by the operations of the Company parent and its QRSs for the tax years ended December 31, 2017 and December 31, 2016, respectively. As such, no provision for U.S. income taxes for the REIT and its QRSs has been included in the accompanying condensed consolidated financial statements for the nine months ended September 30, 2017 and 2016.

We have made TRS elections for some of our subsidiaries in and outside the U.S. In general, a TRS may provide services that would otherwise be considered impermissible for REITs to provide and may hold assets that REITs cannot hold directly. U.S. income taxes for the TRS entities located in the U.S. and foreign income taxes for our foreign operations regardless of whether

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the foreign operations are operated as a QRS or TRS have been accrued, as necessary, for the nine months ended September 30, 2017 and 2016.

For the nine months ended September 30, 2017 and 2016, we recorded \$24.9 million and \$26.0 million of income tax expense, respectively. Our effective tax rates were 12.9% and 33.8%, respectively, for the nine months ended September 30, 2017 and 2016. The decrease in effective tax rates is primarily driven by the realization of unrecognized tax benefits in the current period related to the Company's tax positions as a result of the expiration of the statute of limitations.

Income from Discontinued Operations. We did not have discontinued operations during the nine months ended September 30, 2017. Our net income from discontinued operations was \$14.3 million for the nine months ended September 30, 2016.

Adjusted EBITDA. Adjusted EBITDA is a key factor in how we assess the operating performance of our segments and develop regional growth strategies such as IBX data center expansion decisions. We define adjusted EBITDA as income or loss from operations plus depreciation, amortization, accretion, stock-based compensation expense, restructuring charges, impairment charges, acquisition costs and gains on asset sales. See "Non-GAAP Financial Measures" below for more information about adjusted EBITDA and a reconciliation of adjusted EBITDA to net income. Our adjusted EBITDA for the nine months ended September 30, 2017 and 2016 was split among the following geographic regions (dollars in thousands):

	Nine Months Ended September 30,				% change	
	2017	%	2016	%	Actual	Constant currency
Americas	\$ 748,871	50%	\$ 581,619	48%	29%	28%
EMEA	417,640	28%	366,412	30%	14%	17%
Asia-Pacific	320,690	22%	272,952	22%	17%	19%
Total	\$ 1,487,201	100%	\$ 1,220,983	100%	22%	23%

Americas Adjusted EBITDA. The increase in our Americas adjusted EBITDA was primarily due to the Verizon Data Center Acquisition, higher revenues as a result of our IBX data center expansion activity and organic growth as described above. During the nine months ended September 30, 2017, currency fluctuations resulted in approximately \$4.0 million of net favorable foreign currency impact on our Americas adjusted EBITDA primarily due to the generally weaker U.S. dollar relative to the Brazilian real during the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016.

EMEA Adjusted EBITDA. The increase in our EMEA adjusted EBITDA was primarily due to higher revenues as a result of our IBX data center expansion activity and organic growth as described above and lower cost of revenues and general and administration expenses as a percentage of revenues. During the nine months ended September 30, 2017, currency fluctuations resulted in approximately \$10.0 million of net unfavorable foreign currency impact to our EMEA adjusted EBITDA primarily due to a generally stronger U.S. dollar relative to the British pound during the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016.

Asia-Pacific Adjusted EBITDA. The increase in our Asia-Pacific adjusted EBITDA was primarily due to higher revenues as a result of our IBX data center expansion activity and organic growth as described above and lower cost of revenues as a percentage of revenues. During the nine months ended September 30, 2017, currency fluctuations resulted in approximately \$3.4 million of net unfavorable foreign currency impact to our Asia-Pacific adjusted EBITDA primarily due to a generally stronger U.S. dollar relative to Japanese yen and Singapore dollar during the nine months ended September 30, 2017 compared to the nine months ended September 30, 2016.

Non-GAAP Financial Measures

We provide all information required in accordance with generally accepted accounting principles in the United States of America ("U.S. GAAP"), but we believe that evaluating our ongoing operating results may be difficult if limited to reviewing only U.S. GAAP financial measures. Accordingly, we use non-GAAP financial measures to evaluate our operations.

Non-GAAP financial measures are not a substitute for financial information prepared in accordance with U.S. GAAP. Non-GAAP financial measures should not be considered in isolation, but should be considered together with the most directly comparable U.S. GAAP financial measures and the reconciliation of the non-GAAP financial measures to the most directly comparable U.S. GAAP financial measures. We have presented such non-GAAP financial measures to provide investors with an additional tool to evaluate our operating results in a manner that focuses on what management believes to be our core, ongoing business operations. We believe that the inclusion of these non-GAAP financial measures provides consistency and comparability with past reports and provides a better understanding of the overall performance of the business and ability to perform in subsequent periods. We

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believe that if we did not provide such non-GAAP financial information, investors would not have all the necessary data to analyze Equinix effectively.

Investors should note that the non-GAAP financial measures used by us may not be the same non-GAAP financial measures, and may not be calculated in the same manner, as those of other companies. Investors should therefore exercise caution when comparing non-GAAP financial measures used by us to similarly titled non-GAAP financial measures of other companies.

Our primary non-GAAP financial measures are adjusted EBITDA and adjusted funds from operations ("AFFO"). Both measures exclude depreciation expense as these charges primarily relate to the initial construction costs of our IBX data centers and do not reflect our current or future cash spending levels to support our business. Our IBX data centers are long-lived assets and have an economic life greater than 10 years. The construction costs of an IBX data center do not recur with respect to such data center, although we may incur initial construction costs in future periods with respect to additional IBX data centers, and future capital expenditures remain minor relative to our initial investment. This is a trend we expect to continue. In addition, depreciation is also based on the estimated useful lives of our IBX data centers. These estimates could vary from actual performance of the asset, are based on historical costs incurred to build out our IBX data centers and are not indicative of current or expected future capital expenditures. Therefore, we exclude depreciation from our operating results when evaluating our operations.

In addition, in presenting adjusted EBITDA and AFFO, we exclude amortization expense related to acquired intangible assets. Amortization expense is significantly affected by the timing and magnitude of our acquisitions and these charges may vary in amount from period to period. We exclude amortization expense to facilitate a more meaningful evaluation of our current operating performance and comparisons to our prior periods. We exclude accretion expense (gain), both as it relates to asset retirement obligations as well as accrued restructuring charge liabilities, as these expenses represent costs which we believe are not meaningful in evaluating our current operations. We exclude stock-based compensation expense, as it can vary significantly from period to period based on share price, and the timing, size and nature of equity awards. As such, we, and many investors and analysts, exclude this stock-based compensation expense to compare our operating results with those of other companies. We also exclude restructuring charges. The restructuring charges relate to our decisions to exit leases for excess space adjacent to several of our IBX data centers, which we did not intend to build out, or our decision to reverse such restructuring charges. We also exclude impairment charges related to certain long-lived assets. The impairment charges are related to expense recognized whenever events or changes in circumstances indicate that the carrying amount of long-lived assets are not recoverable. We also exclude gains on asset sales as it represents profit that is not meaningful in evaluating our current or future operating performance. Finally, we exclude acquisition costs from AFFO and adjusted EBITDA to allow more comparable comparisons of our financial results to our historical operations. The acquisition costs relate to costs we incur in connection with business combinations. Such charges generally are not relevant to assessing long-term performance of the Company. In addition, the frequency and amount of such charges vary significantly based on the size and timing of the acquisitions. Management believes items such as restructuring charges, impairment charges, gain on asset sales and acquisition costs are non-core transactions; however, these types of costs may occur in future periods.

Adjusted EBITDA

We define adjusted EBITDA as income or loss from continuing operations excluding depreciation, amortization, accretion, stock-based compensation expense, restructuring charges, impairment charges, acquisition costs and gains or loss on asset sales as presented below (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Income from continuing operations	\$ 224,863	\$ 169,941	\$ 576,971	\$ 434,284
Depreciation, amortization, and accretion expense	277,719	215,370	749,118	631,242
Stock-based compensation expense	45,654	42,473	129,602	116,311
Acquisition costs	2,083	12,505	31,510	64,635
Impairment charges	—	7,698	—	7,698
Gains on asset sales	—	(27,945)	—	(33,187)
Adjusted EBITDA	\$ 550,319	\$ 420,042	\$ 1,487,201	\$ 1,220,983

Our adjusted EBITDA results have improved each year and in each region in total dollars due to the improved operating results discussed earlier in "Results of Operations", as well as the nature of our business model consisting of a recurring revenue stream and a cost structure which has a large base that is fixed in nature also discussed earlier in "Overview."

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Funds from Operations ("FFO") and AFFO

We use FFO and AFFO, which are non-GAAP financial measures commonly used in the REIT industry. FFO is calculated in accordance with the standards established by the National Association of Real Estate Investment Trusts. FFO represents net income (loss), excluding gain (loss) from the disposition of real estate assets, depreciation and amortization on real estate assets and adjustments for unconsolidated joint ventures' and non-controlling interests' share of these items.

We use AFFO to evaluate our performance on a consolidated basis and as a metric in the determination of employees' annual bonuses beginning in 2015 and vesting of restricted stock units that were granted beginning in 2015 and that have both service and performance conditions. In presenting AFFO, we exclude certain items that we believe are not good indicators of our current or future operating performance. AFFO represents FFO excluding depreciation and amortization expense on non-real estate assets, accretion, stock-based compensation, restructuring charges, impairment charges, acquisition costs, an installation revenue adjustment, a straight-line rent expense adjustment, amortization of deferred financing costs, gain (loss) on debt extinguishment, an income tax expense adjustment, recurring capital expenditures and adjustments for unconsolidated joint ventures' and non-controlling interests' share of these items, gain on asset sales and net income (loss) from discontinued operations, net of tax. The adjustments for both installation revenue and straight-line rent expense are intended to isolate the cash activity included within the straight-lined or amortized results in the consolidated statement of operations. We exclude the amortization of deferred financing costs as these expenses relate to the initial costs incurred in connection with debt financings that have no current or future cash obligations. We exclude gain (loss) on debt extinguishment since it generally represents the write-off of initial costs incurred in connection with debt financings or a cost that is incurred to reduce future interest costs and is not a good indicator of our current or future operating performance. We include an income tax expense adjustment, which represents the non-cash tax impact due to changes in valuation allowances, uncertain tax positions and deferred taxes that do not relate to current period's operations. We deduct recurring capital expenditures, which represent expenditures to extend the useful life of its IBX centers or other assets that are required to support current revenues. We also exclude net income (loss) from discontinued operations, net of tax, which represents results that may not recur and are not a good indicator of our current future operating performance.

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Our FFO and AFFO for the three months ended September 30, 2017 and 2016 were as follows (in thousands):

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
Net income	\$ 79,900	\$ 51,450	\$ 167,767	\$ 65,050
Adjustments:				
Real estate depreciation	200,313	159,788	535,114	469,510
(Gain) loss on disposition of real estate property	5,877	(23,436)	3,779	(29,424)
Adjustments for FFO from unconsolidated joint ventures	29	29	85	85
FFO	\$ 286,119	\$ 187,831	\$ 706,745	\$ 505,221
	Three Months Ended September 30,		Nine Months Ended September 30,	
	2017	2016	2017	2016
FFO	\$ 286,119	\$ 187,831	\$ 706,745	\$ 505,221
Adjustments:				
Installation revenue adjustment	6,161	4,612	17,775	15,373
Straight-line rent expense adjustment	2,297	2,686	5,721	5,714
Amortization of deferred financing costs	4,390	2,687	20,100	13,438
Stock-based compensation expense	45,654	42,474	129,602	116,312
Non-real estate depreciation expense	29,205	22,108	87,021	64,516
Amortization expense	48,893	32,929	128,068	93,384
Accretion expense (gain)	(692)	545	(1,085)	3,832
Recurring capital expenditures	(44,914)	(41,600)	(105,455)	(105,343)
Loss on debt extinguishment	22,156	9,894	42,103	10,499
Acquisition costs	2,083	12,505	31,510	64,635
Impairment charges	—	7,698	—	7,698
Income tax expense adjustment	(10,058)	2,501	(6,575)	3,612
Adjustments for AFFO from unconsolidated joint ventures	(5)	(10)	(17)	(31)
Net income from discontinued operations, net of tax	—	(2,681)	—	(14,306)
AFFO	\$ 391,289	\$ 284,179	\$ 1,055,513	\$ 784,554

Our AFFO results have improved due to the improved operating results discussed earlier in "Results of Operations," as well as due to the nature of our business model which consists of a recurring revenue stream and a cost structure which has a large base that is fixed in nature as discussed earlier in "Overview."

Constant Currency Presentation

Our revenues and certain operating expenses (cost of revenues, sales and marketing and general and administrative expenses) from our international operations have represented and will continue to represent a significant portion of our total revenues and certain operating expenses. As a result, our revenues and certain operating expenses have been and will continue to be affected by changes in the U.S. dollar against major international currencies such as the Euro, British pound, Japanese yen, Singapore dollar, Australian dollar and Brazilian real. In order to provide a framework for assessing how each of our business segments performed excluding the impact of foreign currency fluctuations, we present period-over-period percentage changes in our revenues and certain operating expenses on a constant currency basis in addition to the historical amounts as reported. Presenting constant currency results of operations is a non-GAAP financial measure and is not meant to be considered in isolation or as an alternative to U.S. GAAP results of operations. However, we have presented this non-GAAP financial measure to provide investors with an additional tool to evaluate our operating results. To present this information, our current and comparative prior period revenues and certain operating expenses from entities reporting in currencies other than the U.S. dollar are converted into U.S. dollars at constant exchange rates rather than the actual exchange rates in effect during the respective periods (i.e. average rates in effect).

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for the three months ended September 30, 2016 are used as exchange rates for the three months ended September 30, 2017 when comparing the three months ended September 30, 2017 with the three months ended September 30, 2016).

Liquidity and Capital Resources

As of September 30, 2017, our total indebtedness was comprised of debt and financing obligations totaling \$10,120 million consisting of (a) \$5,782 million of principal from our senior notes, (b) approximately \$1,672 million from our capital lease and other financing obligations, and (c) \$2,666 million of principal from our mortgage and loans payable (gross of debt issuance cost, debt discount, plus debt premium).

We believe we have sufficient cash, coupled with anticipated cash generated from operating activities, to meet our operating requirements, including repayment of the current portion of our debt as it becomes due, payment of expenses related to our REIT integration activities, payment of regular dividends and completion of our publicly-announced expansion projects. As of September 30, 2017, we had \$1.6 billion of cash, cash equivalents and short-term and long-term investments, of which approximately \$1.1 billion was held in the U.S. We believe that our current expansion activities in the U.S. can be funded with our U.S.-based cash and cash equivalents and investments. Besides our cash and investment portfolio, we have additional liquidity available to us from the \$1.5 billion revolving credit facility. On May 1, 2017, we completed the acquisition of Verizon's colocation services business located in United States, Brazil and Colombia for a cash purchase price of approximately \$3.6 billion. The Verizon Data Center Acquisition was funded by the borrowing of our €1.0 billion Term B-2 Loan and proceeds from the issuance of our 2027 Senior Notes and of our common stock. During the three months ended March 31, 2017, we borrowed the full amount of our €1.0 billion Term B-2 Loan (see Note 9 of Notes to Condensed Consolidated Financial Statements), issued \$1.25 billion of 5.375% senior notes due 2027 (see Note 9 of Notes to Condensed Consolidated Financial Statements) and sold 6,069,444 shares of common stock in a public offering for net proceeds of \$2.1 billion (see Note 11 of Notes to Condensed Consolidated Financial Statements). During the three months ended September 30, 2017, we entered into an equity distribution agreement under which we can sell up to \$750.0 million of common stock in at the market ("ATM") offerings, issued €1.0 billion 2.875% Euro Senior Notes due 2025 and redeemed the entire \$500.0 million principal amount of our 4.875% Senior Notes due 2020. No sales have been made under the ATM program through September 30, 2017.

As of September 30, 2017, we had 39 irrevocable letters of credit totaling \$59.0 million issued and outstanding under the U.S. revolving credit line; as a result, we had a total of approximately \$1.4 billion of additional liquidity available to us under the revolving credit facility. Besides any further financing activities we may pursue, customer collections are our primary source of cash. While we believe we have a strong customer base, and have continued to experience relatively strong collections, if the current market conditions were to deteriorate, some of our customers may have difficulty paying us and we may experience increased churn in our customer base, including reductions in their commitments to us, all of which could have a material adverse effect on our liquidity. Additionally, we may pursue additional expansion opportunities, primarily the build out of new IBX data centers, in certain of our existing markets which are at or near capacity within the next year, as well as potential acquisitions. We are also now operating as a REIT and paying regular, recurring cash dividends. While we expect to fund these plans with our existing resources, additional financing, either debt or equity, may be required and if current market conditions were to deteriorate, we may be unable to secure additional financing or any such additional financing may only be available to us on unfavorable terms. An inability to pursue additional expansion opportunities will have a material adverse effect on our ability to maintain our desired level of revenue growth in future periods.

Sources and Uses of Cash

	Nine Months Ended September 30,	
	2017	2016
	(dollars in thousands)	
Net cash provided by operating activities	\$ 944,354	\$ 718,735
Net cash used in investing activities	(4,616,830)	(1,684,132)
Net cash provided by (used in) financing activities	4,508,974	(738,864)

Operating Activities. Our source of cash provided by our operations is generated by colocation, interconnection, managed infrastructure and other revenues. Our primary use of cash from our operating activities includes compensation and related costs, interest payments, other general corporate expenditures and taxes. Net cash provided by operating activities increased from the nine months ended September 30, 2016 to the nine months ended September 30, 2017 primarily due to improved operating results offset by timing of collections on our receivables and increases in cash paid for cost of revenues, operating expenses, interest expense and income taxes.

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Investing Activities. The net cash used in investing activities for the nine months ended September 30, 2017 was primarily due to business acquisitions of approximately \$3.6 billion, primarily the Verizon Data Center Acquisition, capital expenditures of \$946.0 million as a result of our expansion activity, and purchases of real estate of \$65.0 million, partially offset by proceeds from asset sales of \$47.8 million. The net cash used in investing activities for the nine months ended September 30, 2016 was primarily due to \$1.8 billion for the acquisitions of TelecityGroup and the Paris IBX Data Center and the remaining amounts due for Bit-ile shares. These payments were partially offset by \$805.4 million net proceeds received from Digital Realty from the divestiture of certain data centers (see Notes 4 and 5 of Notes to Condensed Consolidated Financial Statements in Item 1 of this Quarterly Report on Form 10-Q). Other investing cash flows for the nine months ended September 30, 2016 included \$727.0 million of capital expenditures primarily related to our expansion activity, purchase of real estate for \$28.1 million and purchase of investments for \$31.7 million, partially offset by proceeds from the sale of assets of \$22.8 million and sales and maturities of investments for \$41.8 million.

Financing Activities. The net cash provided by financing activities for the nine months ended September 30, 2017 was primarily due to borrowings under our €1.0 billion Term B-2 Loan, approximately \$1.1 billion at the exchange rate in effect on January 6, 2017, the issuance of \$1.25 billion of 5.375% senior notes due 2027, the issuance of €1.0 billion 2.875% Euro Senior Notes due 2025, approximately \$1.2 billion at the exchange rate on September 20, 2017, and the sale of 6,069,444 shares of common stock for net proceeds of \$2.1 billion. Other financing activities included repayment of the entire \$500.0 million principal amount of our 4.875% Senior Notes due 2020, dividend distributions of \$463.9 million, debt issuance costs of \$56.9 million, repayments of capital lease and other financing obligations of \$60.3 million, and repayments of mortgage and loans payable of \$63.5 million, partially offset by proceeds from employee awards of \$41.6 million. The net cash used in financing activities for the nine months ended September 30, 2016 was primarily due to repayments of loans of \$986.5 million relating to loans assumed from TelecityGroup acquisition, our revolving credit facility and our Brazil financings facility, dividend distributions of \$374.2 million and repayments of \$100.9 million of capital lease and other financing obligations, partially offset by borrowings of \$710.4 million under our multicurrency Term B loan facility and bridge term loan, and proceeds from employee equity awards of \$34.1 million.

Contractual Obligations and Off-Balance-Sheet Arrangements

We lease a majority of our IBX data centers and certain equipment under non-cancellable lease agreements expiring through 2065. The following represents our debt maturities, financings, leases and other contractual commitments as of September 30, 2017 (in thousands):

	2017 (3 months)	2018	2019	2020	2021	Thereafter	Total
Term loans ⁽¹⁾	\$ 20,301	\$ 81,204	\$ 386,040	\$ 40,559	\$ 351,709	\$ 1,739,833	\$ 2,619,646
Senior notes ⁽¹⁾	—	—	—	—	—	5,781,500	5,781,500
Interest ⁽²⁾	78,308	358,459	356,662	345,442	343,525	1,076,494	2,558,890
Capital lease and other financing obligations ⁽³⁾	44,823	194,757	174,811	174,806	176,737	1,855,824	2,621,758
Operating leases ⁽⁴⁾	41,508	166,498	159,074	149,190	139,796	1,222,207	1,878,273
Other contractual commitments ⁽⁵⁾	594,240	126,255	53,148	15,245	12,359	127,941	929,188
Asset retirement obligations ⁽⁶⁾	—	3,340	14,328	10,205	4,721	84,145	116,739
	<u>\$ 779,180</u>	<u>\$ 930,513</u>	<u>\$ 1,144,063</u>	<u>\$ 735,447</u>	<u>\$ 1,028,847</u>	<u>\$ 11,887,944</u>	<u>\$ 16,505,994</u>

- (1) Represents principal only.
- (2) Represents interest on mortgage payable, loans payable, senior notes and term loans based on their approximate interest rates as of September 30, 2017.
- (3) Represents principal and interest.
- (4) Represents minimum operating lease payments, excluding potential lease renewals.
- (5) Represents off-balance sheet arrangements. Other contractual commitments are described below.
- (6) Represents liability, net of future accretion expense.

There are no other material changes in our commitments under mortgage and loans payable as disclosed in our Annual Report on Form 10-K for the year ended December 31, 2016.

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In connection with certain of our leases and other contracts requiring deposits, we entered into 39 irrevocable letters of credit totaling \$59.0 million under the senior revolving credit line. These letters of credit were provided in lieu of cash deposits under the senior revolving credit line. If the landlords for these IBX leases decide to draw down on these letters of credit triggered by an event of default under the lease, we will be required to fund these letters of credit either through cash collateral or borrowing under the senior revolving credit line. These contingent commitments are not reflected in the table above.

We had accrued liabilities related to uncertain tax positions totaling approximately \$50.9 million as of September 30, 2017. These liabilities, which are reflected on our balance sheet, are not reflected in the table above since it is unclear when these liabilities will be paid.

Primarily as a result of our various IBX data center expansion projects, as of September 30, 2017, we were contractually committed for \$336.8 million of unaccrued capital expenditures, primarily for IBX equipment not yet delivered and labor not yet provided in connection with the work necessary to complete construction and open these IBX data centers prior to making them available to customers for installation. This amount, which is expected to be paid during the remainder of 2017 and thereafter, is reflected in the table above as "other contractual commitments."

We had other non-capital purchase commitments in place as of September 30, 2017, such as commitments to purchase power in select locations and other open purchase orders, which contractually bind us for goods or services to be delivered or provided during 2017 and beyond. Such other purchase commitments as of September 30, 2017, which total \$592.4 million, are also reflected in the table above as "other contractual commitments."

Critical Accounting Policies and Estimates

Our condensed consolidated financial statements and accompanying notes are prepared in accordance with U.S. GAAP. The preparation of our financial statements requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. On an ongoing basis, management evaluates the accounting policies, assumptions, estimates and judgments to ensure that our condensed consolidated financial statements are presented fairly and in accordance with U.S. GAAP. Management bases its assumptions, estimates and judgments on historical experience, current trends and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. However, because future events and their effects cannot be determined with certainty, actual results may differ from these assumptions and estimates, and such differences could be material. Critical accounting policies for Equinix that affect our more significant judgment and estimates used in the preparation of our condensed consolidated financial statements include accounting for income taxes, accounting for business combinations, accounting for impairment of goodwill and accounting for property, plant and equipment, which are discussed in more detail under the caption "Critical Accounting Policies and Estimates" in Management's Discussion and Analysis of Financial Condition and Results of Operations, set forth in Part II Item 7, of our Annual Report on Form 10-K for the year ended December 31, 2016.

We elected to be taxed as REIT for U.S. federal income tax purposes beginning with our 2015 taxable year. As of September 30, 2017, our REIT structure includes all of our data center operations in the U.S., Canada, Japan and most of our data center operations in Europe. Our data center operations in other jurisdictions are operated as TRSs.

We have made TRS elections for some of our subsidiaries in and outside the U.S. In general, a TRS may provide services that would otherwise be considered impermissible for REITs to provide and may hold assets that REITs cannot hold directly. U.S. income taxes for the TRS entities located in the country and foreign income taxes for our foreign operations were accrued, as necessary, for the three and nine months ended September 30, 2017.

Recent Accounting Pronouncements

See Note 1 of Notes to Condensed Consolidated Financial Statements in Item 1 of this Quarterly Report on Form 10-Q.

Item 3. Quantitative and Qualitative Disclosures about Market Risk

Market Risk

There have been no significant changes in our market risk, investment portfolio risk, interest rate risk, foreign currency risk and commodity price risk exposures and procedures during the nine months ended September 30, 2017 as compared to the respective risk exposures and procedures disclosed in Quantitative and Qualitative Disclosures About Market Risk, set forth in Part II Item 7A, of our Annual Report on Form 10-K for the year ended December 31, 2016, other than factors discussed below.

Foreign Currency Risk

In January 2017, we borrowed Term B-2 Loan of €1,000.0 million. In September 2017, we issued €1,000.0 million of 2.875% senior notes due October 1, 2025 ("2025 Euro Senior Notes"). We designated 100% of Term B-2 loan and 54.5% of 2025 Euro Senior Notes as net investment hedges against our net investments in foreign subsidiaries that use the Euro as their function currency. For a net investment hedge, changes in the fair value of the hedging instrument designated as a net investment hedge, except the ineffective portion and forward points, are recorded as a component of other comprehensive income in the condensed consolidated balance sheets. We did not record any ineffectiveness during the nine months ended September 30, 2017. Any remaining change in the carrying value of the 2025 Euro Senior Notes is recognized in other income (expense) in our condensed consolidated statements of operations.

Fluctuations in the exchange rates between the Euro and the U.S. Dollar will impact the amount of U.S. Dollars that we will require to settle the Term B-2 Loan and 2025 Euro Senior Notes at maturity. If the U.S. Dollar would have been weaker by 10% in comparison to the Euro as of September 30, 2017, we estimate our obligation to cash settle the principal portion of Term B-2 Loan and 2025 Euro Senior Notes in U.S. Dollars would have increased by approximately \$117.6 million and \$118.2 million, respectively. If the U.S. Dollar would have been stronger by 10% in comparison to the Euro as of September 30, 2017, we estimate our obligation to cash settle the principal portion of Term B-2 Loan and 2025 Euro Senior Notes in U.S. Dollars would have decreased by approximately \$117.6 million and \$118.2 million, respectively.

To help manage the exposure to foreign currency exchange rate fluctuations, we have implemented a number of hedging programs, in particular (i) a cash flow hedging program to hedge the forecasted revenues and expenses in our EMEA region, (ii) a balance sheet hedging program to hedge the remeasurement of monetary assets and liabilities denominated in foreign currencies, and (iii) a net investment hedging program to hedge the long term investments in our foreign subsidiaries. Our hedging programs reduce, but do not entirely eliminate, the impact of currency exchange rate movements and its impact on the consolidated statements of operations.

The U.S. dollar weakened relative to certain of the currencies of the foreign countries in which we operate during the nine months ended September 30, 2017. This has significantly impacted our condensed consolidated financial position and results of operations during this period, including the amount of revenues that we reported. Continued strengthening or weakening of the U.S. dollar will continue to have a significant impact to us in future periods.

With the existing cash flow hedges in place, a hypothetical additional 10% strengthening of the U.S. dollar for the nine months ended September 30, 2017 would have resulted in a reduction of our revenues and operating expenses including depreciation and amortization expense for the quarter by approximately \$94.4 million and \$105.2 million, respectively.

With the existing cash flow hedges in place, a hypothetical additional 10% weakening of the U.S. dollar for the nine months ended September 30, 2017 would have resulted in an increase of our revenues and operating expenses including depreciation and amortization expense for the quarter by approximately \$92.2 million and \$104.0 million, respectively.

Interest Rate Risk

An immediate 10% increase or decrease in current interest rates from their position as of September 30, 2017 would not have a material impact on our interest expense due to the fixed nature of the majority of our debt obligations. However, the interest expense associated with our senior credit facility and term loans, which bear interest at variable rates, could be affected. For every 100 basis point change in interest rates, our annual interest expense could increase by a total of approximately \$20.8 million or decrease by a total of approximately \$4.3 million based on the total balance of our primary borrowings under the Term A loan facility, Term B-1 and B-2 loans, and the Japanese yen term loan as of September 30, 2017. As of September 30, 2017, we had not employed any interest rate derivative products against our debt obligations. However, we may enter into interest rate hedging agreements in the future to mitigate our exposure to interest rate risk.

Item 4. Controls and Procedures

(a) *Evaluation of Disclosure Controls and Procedures.* Our management, with the participation of our Chief Executive Officer and our Chief Financial Officer, conducted an evaluation, pursuant to Rule 13a-15 promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), of the effectiveness of our "disclosure controls and procedures" as of the end of the period covered by this quarterly report. Based on this evaluation, the Chief Executive Officer and Chief Financial Officer concluded that the disclosure controls and procedures were effective as of the end of the period covered by this quarterly report.

(b) **Changes in Internal Control over Financial Reporting.** We completed the acquisition of the selected Verizon Data Center Business in the second quarter of 2017. We are evaluating changes to processes and other components of internal controls over financial reporting of the Selected Verizon Data Center Business as part of the ongoing integration activities. There have not been any other changes in our internal control reporting that occurred during the quarter ended September 30, 2017 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

(c) **Limitations on the Effectiveness of Controls.** Our management, including our Chief Executive Officer and Chief Financial Officer, believes that our disclosure controls and procedures and internal control over financial reporting are designed and operated to be effective at the reasonable assurance level. However, our management does not expect that our disclosure controls and procedures or our internal control over financial reporting will prevent all errors and all fraud. A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. Further, the design of a control system must reflect the fact that there are resource constraints, and the benefits of controls must be considered relative to their costs. Because of the inherent limitations in all control systems, no evaluation of controls can provide absolute assurance that all control issues and instances of fraud, if any, have been detected. These inherent limitations include the realities that judgments in decision making can be faulty, and that breakdowns can occur because of a simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by management override of the controls. The design of any system of controls also is based in part upon certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions; over time, controls may become inadequate because of changes in conditions, or the degree of compliance with policies or procedures may deteriorate. Because of the inherent limitations in a cost effective control system, misstatements due to error or fraud may occur and not be detected.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

None

Item 1A. Risk Factors

In addition to the other information contained in this report, the following risk factors should be considered carefully in evaluating our business and us:

Risks Related to the Integration of the Verizon Assets.

The anticipated benefits of the Verizon Data Center Acquisition may not be realized fully and may take longer to realize than expected and there will be numerous challenges associated with integration.

On May 1, 2017, we acquired Verizon's colocation business (the "Business"), for a cash purchase price of approximately \$3.6 billion (the "Verizon Data Center Acquisition"). The success of the Verizon Data Center Acquisition will depend, in part, on our ability to successfully integrate the Verizon assets into our business, and realize the anticipated benefits, including synergies and cost savings, from the Verizon Data Center Acquisition. If we are unable to achieve these objectives within the anticipated time frame, or at all, the anticipated benefits may not be realized fully or at all, or may take longer to realize than expected and the value of our common stock may be adversely affected.

We will incur significant transaction-related costs in connection with the integration process. We may encounter material challenges in connection with this integration process, including from, without limitation:

- retaining relationships with key customers, landlords and suppliers of the acquired business, some of which may terminate their contracts with the Business as a result of the Verizon Data Center Acquisition or which may attempt to negotiate changes in their current or future business relationships with us;
- expanding our relationships with U.S. government customers, which will subject us to complex regulatory and compliance requirements and risks with which we have limited experience;
- integrating or migrating IT systems, which may create a risk of errors or performance problems and could affect our ability to meet customer service level obligations;
- our reliance on transition services from Verizon to operate the Business, and our need to develop sustainable alternative arrangements upon expiration or interruption of those transition services;
- the diversion of management's attention from ongoing business concerns and performance shortfalls at Equinix as a result of the devotion of management's attention to the Verizon Data Center Acquisition;
- managing a larger company;
- integrating two unique corporate cultures;
- retaining key employees, who may experience uncertainty associated with the Verizon Data Center Acquisition and who may depart after the Verizon Data Center Acquisition because of issues relating to the uncertainty and difficulty of the integration or a desire not to remain with us following the Verizon Data Center Acquisition; and
- unforeseen expenses or delays associated with the Verizon Data Center Acquisition.

Many of these factors will be outside of our control and any one of them could result in increased costs, decreases in the amount of expected revenues and diversion of management's time and energy, which could materially impact our business, financial condition and results of operations.

We expect to incur significant integration costs in connection with the Verizon Data Center Acquisition

We expect to continue to incur significant costs in connection with integrating the Verizon assets into Equinix. However, the actual costs incurred may exceed those estimated and there may be further unanticipated costs and the assumption of known and unknown liabilities. While we have assumed that we will incur integration expenses, there are factors beyond our control that could affect the total amount or the timing of such expenses. Many of the expenses that will be incurred, by their nature, are difficult to estimate accurately at the present time. In addition, Verizon has contributed specified assets and liabilities of the acquired business to newly formed entities, and we have acquired the equity interests of such entities. However, the contributed assets may not be sufficient to operate all aspects of the acquired business. Accordingly, we may have to use assets or resources from our existing business or acquire additional assets in order to operate the acquired business.

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As a result, the integration expenses associated with the Verizon Data Center Acquisition could, particularly in the near term, exceed the cost savings that we expect to achieve from the streamlining of operations from the Verizon Data Center Acquisition.

Our business, financial condition and results of operations may be adversely affected by the Verizon Data Center Acquisition if we are not able to obtain requisite consents or enter into certain agreements.

Pursuant to the transaction agreement, Verizon has agreed to use its commercially reasonable efforts until 12 months following the consummation of the Verizon Data Center Acquisition to obtain any consents from customers, landlords, and other third parties that may be necessary in connection with the Verizon Data Center Acquisition, or to amend its agreements with such third parties so that we will be entitled to the rights and benefits currently enjoyed by Verizon under such agreements on substantially the same terms as then in effect. To the extent that we or Verizon are not able to obtain such consents, we may not be able to realize the anticipated benefits of the Verizon Data Center Acquisition.

We would incur adverse tax consequences if the Verizon Data Center Acquisition causes us to fail to qualify as a REIT for U.S. federal income tax purposes.

We will integrate Verizon's assets and operations in a manner that will allow us to timely satisfy the REIT income, asset, and distribution tests applicable to us. However, if we fail to do so, we would jeopardize or lose our qualification for taxation as a REIT, particularly if we would not be ineligible to utilize relief provisions set forth in the Internal Revenue Code (the "Code").

Risks Related to Our Taxation as a REIT

We may not remain qualified for taxation as a REIT.

We have elected to be taxed as a REIT for federal income tax purposes beginning with our 2015 taxable year. We believe that our organization and method of operation comply with the rules and regulations promulgated under the Code such that we will continue to qualify for taxation as a REIT. However, we cannot assure you that we have qualified for taxation as a REIT or that we will remain so qualified. Qualification for taxation as a REIT involves the application of highly technical and complex provisions of the Code to our operations as well as various factual determinations concerning matters and circumstances not entirely within our control. There are also limited judicial or administrative interpretations of applicable REIT provisions.

If, in any taxable year, we fail to remain qualified for taxation as a REIT and are not entitled to relief under the Code:

- we will not be allowed a deduction for distributions to stockholders in computing our taxable income;
- we will be subject to federal and state income tax, including any applicable alternative minimum tax, on our taxable income at regular corporate tax rates; and
- we would not be eligible to elect REIT status again until the fifth taxable year that begins after the first year for which we failed to qualify as a REIT.

Any such corporate tax liability could be substantial and would reduce the amount of cash available for other purposes.

As a REIT, failure to make required distributions would subject us to federal corporate income tax.

We paid a quarterly distribution in September of 2017 and have declared a fourth quarterly distribution to be paid on December 13, 2017. The amount, timing and form of any future distributions will be determined, and will be subject to adjustment, by our Board of Directors. To remain qualified for taxation as a REIT, we are generally required to distribute at least 90% of our REIT taxable income (determined without regard to the dividends paid deduction and excluding net capital gain) each year, or in limited circumstances, the following year, to our stockholders. Generally, we expect to distribute all or substantially all of our REIT taxable income. If our cash available for distribution falls short of our estimates, we may be unable to maintain distributions that approximate our REIT taxable income and may fail to remain qualified for taxation as a REIT. In addition, our cash flows from operations may be insufficient to fund required distributions as a result of differences in timing between the actual receipt of income and the payment of expenses and the recognition of income and expenses for federal income tax purposes, or the effect of nondeductible expenditures, such as capital expenditures, payments of compensation for which Section 162(m) of the Code denies a deduction, the creation of reserves or required debt service or amortization payments.

To the extent that we satisfy the 90% distribution requirement but distribute less than 100% of our REIT taxable income, we will be subject to federal corporate income tax on our undistributed taxable income. In addition, we will be subject to a 4% nondeductible excise tax on our undistributed taxable income if the actual amount that we distribute to our stockholders for a calendar year is less than the minimum amount specified under the Code.

We may be required to borrow funds or raise equity to satisfy our REIT distribution requirements.

Due to the size and timing of future distributions, including any distributions made to satisfy REIT distribution requirements, we may need to borrow funds or raise equity, even if the then-prevailing market conditions are not favorable for these borrowings or offerings.

Any insufficiency of our cash flows to cover our REIT distribution requirements could adversely impact our ability to raise short- and long-term debt or to offer equity securities in order to fund distributions required to maintain our qualification and taxation as a REIT. Furthermore, the REIT distribution requirements may increase the financing we need to fund capital expenditures, future growth and expansion initiatives. This would increase our indebtedness. A significant increase in our outstanding debt could lead to a downgrade of our credit rating. A downgrade of our credit rating could negatively impact our ability to access credit markets. Further, certain of our current debt instruments limit the amount of indebtedness we and our subsidiaries may incur. Significantly more financing, therefore, may be unavailable, more expensive or restricted by the terms of our outstanding indebtedness. For a discussion of risks related to our substantial level of indebtedness, see "Other Risks".

Whether we issue equity, at what price and the amount and other terms of any such issuances will depend on many factors, including alternative sources of capital, our then-existing leverage, our need for additional capital, market conditions and other factors beyond our control. If we raise additional funds through the issuance of equity securities or debt convertible into equity securities, the percentage of stock ownership by our existing stockholders may be reduced. In addition, new equity securities or convertible debt securities could have rights, preferences and privileges senior to those of our current stockholders, which could substantially decrease the value of our securities owned by them. Depending on the share price we are able to obtain, we may have to sell a significant number of shares in order to raise the capital we deem necessary to execute our long-term strategy, and our stockholders may experience dilution in the value of their shares as a result.

Legislative or other actions affecting REITs could have a negative effect on us or our stockholders.

At any time, the federal income tax laws governing REITs or the administrative interpretations of those laws may be amended. Federal and state tax laws are constantly under review by persons involved in the legislative process, the IRS, the U.S. Department of the Treasury and state taxing authorities. Changes to the tax laws, regulations and administrative interpretations, which may have retroactive application, could adversely affect us. In addition, some of these changes could have a more significant impact on us as compared to other REITs due to the nature of our business and our substantial use of TRSs. We cannot predict with certainty whether, when, in what forms, or with what effective dates, the tax laws, regulations and administrative interpretations applicable to us may be changed.

Complying with REIT requirements may limit our flexibility or cause us to forego otherwise attractive opportunities.

To remain qualified for taxation as a REIT for U.S. federal income tax purposes, we must satisfy tests concerning, among other things, the sources of our income, the nature and diversification of our assets and the amounts we distribute to our stockholders. For example, under the Code, no more than 25% (20% from and after our 2018 taxable year) of the value of the assets of a REIT may be represented by securities of one or more TRSs. Similar rules apply to other nonqualifying assets. These limitations may affect our ability to make large investments in other non-REIT qualifying operations or assets. In addition, in order to maintain our qualification for taxation as a REIT, we must distribute at least 90% of our REIT taxable income, determined without regard to the dividends paid deduction and excluding any net capital gains. Even if we maintain our qualification for taxation as a REIT, we will be subject to U.S. federal income tax at regular corporate tax rates for our undistributed REIT taxable income, as well as U.S. federal income tax at regular corporate tax rates for income recognized by our TRSs. Because of these distribution requirements, we will likely not be able to fund future capital needs and investments from operating cash flow. As such, compliance with REIT tests may hinder our ability to make certain attractive investments, including the purchase of significant nonqualifying assets and the material expansion of non-real estate activities.

As a REIT, we are limited in our ability to fund distribution payments using cash generated through our TRSs.

Our ability to receive distributions from our TRSs is limited by the rules with which we must comply to maintain our qualification for taxation as a REIT. In particular, at least 75% of our gross income for each taxable year as a REIT must be derived from real estate. Consequently, no more than 25% of our gross income may consist of dividend income from our TRSs and other nonqualifying types of income. Thus, our ability to receive distributions from our TRSs may be limited, and may impact our ability to fund distributions to our stockholders using cash flows from our TRSs. Specifically, if our TRSs become highly profitable, we might become limited in our ability to receive net income from our TRSs in an amount required to fund distributions to our stockholders commensurate with that profitability.

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In addition, a significant amount of our income and cash flows from our TRSs is generated from our international operations. In many cases, there are local withholding taxes and currency controls that may impact our ability or willingness to repatriate funds to the United States to help satisfy REIT distribution requirements.

Our extensive use of TRSs, including for certain of our international operations, may cause us to fail to remain qualified for taxation as a REIT.

The net income of our TRSs is not required to be distributed to us, and income that is not distributed to us generally is not subject to the REIT income distribution requirement. However, there may be limitations on our ability to accumulate earnings in our TRSs and the accumulation or reinvestment of significant earnings in our TRSs could result in adverse tax treatment. In particular, if the accumulation of cash in our TRSs causes the fair market value of our securities in our TRSs and other nonqualifying assets to exceed 25% of the fair market value of our assets, then we will fail to remain qualified for taxation as a REIT. Beginning with our 2018 taxable year, if the accumulation of cash in our TRSs causes (1) the fair market value of our securities in our TRSs to exceed 20% of the fair market value of our assets or (2) the fair market value of our securities in our TRSs and other nonqualifying assets to exceed 25% of the fair market value of our assets, then we will fail to remain qualified for taxation as a REIT. Further, a substantial portion of our TRSs are overseas, and a material change in foreign currency rates could also negatively impact our ability to remain qualified for taxation as a REIT.

Our cash distributions are not guaranteed and may fluctuate.

A REIT generally is required to distribute at least 90% of its REIT taxable income to its stockholders.

Our Board of Directors, in its sole discretion, will determine on a quarterly basis the amount of cash to be distributed to our stockholders based on a number of factors including, but not limited to, our results of operations, cash flow and capital requirements, economic conditions, tax considerations, borrowing capacity and other factors, including debt covenant restrictions that may impose limitations on cash payments, future acquisitions and divestitures and any stock repurchase program. Consequently, our distribution levels may fluctuate.

Even if we remain qualified for taxation as a REIT, some of our business activities are subject to corporate level income tax and foreign taxes, which will continue to reduce our cash flows, and we will have potential deferred and contingent tax liabilities.

Even if we remain qualified for taxation as a REIT, we may be subject to some federal, state, local and foreign taxes on our income and assets, including alternative minimum taxes, taxes on any undistributed income, and state, local or foreign income, franchise, property and transfer taxes. In addition, we could in certain circumstances be required to pay an excise or penalty tax, which could be significant in amount, in order to utilize one or more relief provisions under the Code to maintain our qualification for taxation as a REIT.

A portion of our business is conducted through wholly owned TRSs because certain of our business activities could generate nonqualifying REIT income as currently structured and operated. The income of our U.S. TRSs will continue to be subject to federal and state corporate income taxes. In addition, our international assets and operations will continue to be subject to taxation in the foreign jurisdictions where those assets are held or those operations are conducted. Any of these taxes would decrease our earnings and our available cash.

We will also be subject to a federal corporate level tax at the highest regular corporate tax rate (currently 35%) on gain recognized from a sale of a REIT asset where our basis in the asset is determined by reference to the basis of the asset in the hands of a C corporation (such as (i) an asset that we held as of the effective date of our REIT election, that is, January 1, 2015, or (ii) an asset that we or a QRS hold following the liquidation or other conversion of a former TRS). This 35% tax is generally applicable to any disposition of such an asset during the five-year period after the date we first owned the asset as a REIT asset (e.g., January 1, 2015 in the case of REIT assets we held at the time of our REIT conversion), to the extent of the built-in-gain based on the fair market value of such asset on the date we first held the asset as a REIT asset.

In addition, the IRS and any state or local tax authority may successfully assert liabilities against us for corporate income taxes for our pre-REIT period, in which case we will owe these taxes plus applicable interest and penalties, if any. Moreover, any increase in taxable income for these pre-REIT periods will likely result in an increase in pre-REIT accumulated earnings and profits, which could cause us to pay an additional taxable distribution to our stockholders and an interest penalty to the IRS after the relevant determination.

Restrictive loan covenants could prevent us from satisfying REIT distribution requirements.

Restrictions in our credit facility and our indentures may prevent us from satisfying our REIT distribution requirements, and we could fail to remain qualified for taxation as a REIT. If these limits do not jeopardize our qualification for taxation as a REIT

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but nevertheless prevent us from distributing 100% of our REIT taxable income, we would be subject to federal corporate income tax, and potentially a nondeductible excise tax, on the retained amounts. See "Other Risks" for further information on our restrictive loan covenants.

Complying with REIT requirements may limit our ability to hedge effectively and increase the cost of our hedging and may cause us to incur tax liabilities.

The REIT provisions of the Code limit our ability to hedge assets, liabilities, revenues and expenses. Generally, income from hedging transactions that we enter into to manage risk of interest rate changes or fluctuations with respect to borrowings made or to be made by us to acquire or carry real estate assets and income from certain currency hedging transactions related to our non-U.S. operations, as well as income from qualifying counteracting hedges, do not constitute "gross income" for purposes of the REIT gross income tests. To the extent that we enter into other types of hedging transactions, the income from those transactions is likely to be treated as nonqualifying income for purposes of the REIT gross income tests. As a result of these rules, we may need to limit our use of advantageous hedging techniques or implement those hedges through our TRSs, which we presently do. This increases the cost of our hedging activities because our TRSs are subject to tax on income or gains resulting from hedges entered into by them and may expose us to greater risks associated with changes in interest rates or exchange rates than we would otherwise want to bear. In addition, hedging losses in any of our TRSs may not provide any tax benefit, except for being carried forward for possible use against future capital gain in the TRSs.

Distributions payable by REITs generally do not qualify for preferential tax rates.

Qualifying distributions payable by corporations to individuals, trusts and estates that are U.S. stockholders are currently eligible for federal income tax at preferential tax rates. Distributions payable by REITs, in contrast, generally are not eligible for the preferential tax rates. The preferential tax rates applicable to regular corporate distributions could cause investors that are individuals, trusts and estates to perceive investments in REITs to be relatively less attractive than investments in the stock of non-REIT corporations that pay distributions, which could adversely affect the value of the stock of REITs, including our common stock.

Our certificate of incorporation contains restrictions on the ownership and transfer of our stock, though they may not be successful in preserving our qualification for taxation as a REIT.

In order for us to remain qualified for taxation as a REIT, no more than 50% of the value of outstanding shares of our stock may be owned, beneficially or constructively, by five or fewer individuals at any time during the last half of each taxable year other than the first year for which we elect to be taxed as a REIT. In addition, rents from "affiliated tenants" will not qualify as qualifying REIT income if we own 10% or more by vote or value of the customer, whether directly or after application of attribution rules under the Code. Subject to certain exceptions, our certificate of incorporation prohibits any stockholder from owning, beneficially or constructively, more than (i) 9.8% in value of the outstanding shares of all classes or series of our capital stock or (ii) 9.8% in value or number, whichever is more restrictive, of the outstanding shares of any class or series of our capital stock. We refer to these restrictions collectively as the "ownership limits" and we included them in our certificate of incorporation to facilitate our compliance with REIT tax rules. The constructive ownership rules under the Code are complex and may cause the outstanding stock owned by a group of related individuals or entities to be deemed to be constructively owned by one individual or entity. As a result, the acquisition of less than 9.8% of our outstanding common stock (or the outstanding shares of any class or series of our stock) by an individual or entity could cause that individual or entity or another individual or entity to own constructively in excess of the relevant ownership limits. Any attempt to own or transfer shares of our common stock or of any of our other capital stock in violation of these restrictions may result in the shares being automatically transferred to a charitable trust or may be void. Even though our certificate of incorporation contains the ownership limits, there can be no assurance that these provisions will be effective to prevent our qualification for taxation as a REIT from being jeopardized, including under the affiliated tenant rule. Furthermore, there can be no assurance that we will be able to monitor and enforce the ownership limits. If the restrictions in our certificate of incorporation are not effective and as a result we fail to satisfy the REIT tax rules described above, then absent an applicable relief provision, we will fail to remain qualified for taxation as a REIT.

Other Risks

Acquisitions present many risks, and we may not realize the financial or strategic goals that were contemplated at the time of any transaction.

Over the last several years, we have completed numerous acquisitions. We may make additional acquisitions in the future, which may include (i) acquisitions of businesses, products, services or technologies that we believe to be complementary, (ii) acquisitions of new IBX data centers or real estate for development of new IBX data centers or (iii) acquisitions through investments in local data center operators. We may pay for future acquisitions by using our existing cash resources (which may limit other potential uses of our cash), incurring additional debt (which may increase our interest expense, leverage and debt service

requirements) and/or issuing shares (which may dilute our existing stockholders and have a negative effect on our earnings per share). Acquisitions expose us to potential risks, including:

- the possible disruption of our ongoing business and diversion of management's attention by acquisition, transition and integration activities, particularly when multiple acquisitions and integrations are occurring at the same time;
- our potential inability to successfully pursue or realize some or all of the anticipated revenue opportunities associated with an acquisition or investment;
- the possibility that we may not be able to successfully integrate acquired businesses, or businesses in which we invest, or achieve anticipated operating efficiencies or cost savings;
- the possibility that announced acquisitions may not be completed, due to failure to satisfy the conditions to closing or for other reasons;
- the dilution of our existing stockholders as a result of our issuing stock in transactions, such as in connection with our acquisitions of Switch & Data Facilities Company, Inc. in 2010 and TelecityGroup in 2016;
- the possibility of customer dissatisfaction if we are unable to achieve levels of quality and stability on par with past practices;
- the potential deterioration to our ability to access credit markets due to increased leverage;
- the possibility that our customers may not accept either the existing equipment infrastructure or the "look-and-feel" of a new or different IBX data center;
- the possibility that additional capital expenditures may be required or that transaction expenses associated with acquisitions may be higher than anticipated;
- the possibility that required financing to fund an acquisition may not be available on acceptable terms or at all;
- the possibility that we may be unable to obtain required approvals from governmental authorities under antitrust and competition laws on a timely basis or at all, which could, among other things, delay or prevent us from completing an acquisition, limit our ability to realize the expected financial or strategic benefits of an acquisition or have other adverse effects on our current business and operations;
- the possible loss or reduction in value of acquired businesses;
- the possibility that future acquisitions may present new complexities in deal structure, related complex accounting and coordination with new partners, particularly in light of our desire to maintain our qualification for taxation as a REIT;
- the possibility that future acquisitions may be in geographies and regulatory environments to which we are unaccustomed;
- the possibility that carriers may find it cost-prohibitive or impractical to bring fiber and networks into a new IBX data center;
- the possibility of litigation or other claims in connection with, or as a result of, an acquisition, including claims from terminated employees, customers, former stockholders or other third parties;
- the possibility that asset divestments may be required in order to obtain regulatory clearance for a transaction;
- and
- the possibility of pre-existing undisclosed liabilities, including, but not limited to, lease or landlord related liability, environmental liability or asbestos liability, for which insurance coverage may be insufficient or unavailable, or other issues not discovered in the diligence process.

The occurrence of any of these risks could have a material adverse effect on our business, results of operations, financial condition or cash flows.

We cannot assure that the price of any future acquisitions of IBX data centers will be similar to prior IBX data center acquisitions. In fact, we expect costs required to build or render new IBX data centers operational to increase in the future. If our revenue does not keep pace with these potential acquisition and expansion costs, we may not be able to maintain our current or expected margins as we absorb these additional expenses. There is no assurance we would successfully overcome these risks or any other problems encountered with these acquisitions.

Our substantial debt could adversely affect our cash flows and limit our flexibility to raise additional capital.

We have a significant amount of debt and may need to incur additional debt to support our growth. Additional debt may also be incurred to fund future acquisitions, any future special distributions, regular distributions or the other cash outlays associated with maintaining qualification for taxation as a REIT. As of September 30, 2017, our total indebtedness (gross of debt issuance cost, debt discount, and debt premium) was approximately \$10.1 billion, our stockholders' equity was \$6.5 billion and our cash, cash equivalents, and investments totaled \$1.6 billion. In addition, as of September 30, 2017, we had approximately \$1.4 billion of additional liquidity available to us from our \$1.5 billion revolving credit facility. Some of our debt contains covenants which may limit our operating flexibility. In addition to our substantial debt, we lease a majority of our IBX data centers and certain equipment under non-cancellable lease agreements, some of which are accounted for as operating leases. As of September 30, 2017, our total minimum operating lease commitments under those lease agreements, excluding potential lease renewals, was approximately \$1.9 billion, which represents off-balance sheet commitments.

Our substantial amount of debt and related covenants, and our off-balance sheet commitments, could have important consequences. For example, they could:

- require us to dedicate a substantial portion of our cash flow from operations to make interest and principal payments on our debt and in respect of other off-balance sheet arrangements, reducing the availability of our cash flow to fund future capital expenditures, working capital, execution of our expansion strategy and other general corporate requirements;
- increase the likelihood of negative outlook from our rating agencies;
- make it more difficult for us to satisfy our obligations under our various debt instruments;
- increase our cost of borrowing and even limit our ability to access additional debt to fund future growth;
- increase our vulnerability to general adverse economic and industry conditions and adverse changes in governmental regulations;
- limit our flexibility in planning for, or reacting to, changes in our business and industry, which may place us at a competitive disadvantage compared with our competitors;
- limit our operating flexibility through covenants with which we must comply, such as limiting our ability to repurchase shares of our common stock;
- limit our ability to borrow additional funds, even when necessary to maintain adequate liquidity, which would also limit our ability to further expand our business; and
- make us more vulnerable to increases in interest rates because of the variable interest rates on some of our borrowings to the extent we have not entirely hedged such variable rate debt.

The occurrence of any of the foregoing factors could have a material adverse effect on our business, results of operations and financial condition.

We may also need to refinance a portion of our outstanding debt as it matures. There is a risk that we may not be able to refinance existing debt or that the terms of any refinancing may not be as favorable as the terms of our existing debt. Furthermore, if prevailing interest rates or other factors at the time of refinancing result in higher interest rates upon refinancing, then the interest expense relating to that refinanced indebtedness would increase. These risks could materially adversely affect our financial condition, cash flows and results of operations.

Adverse global economic conditions and credit market uncertainty could adversely impact our business and financial condition.

Adverse global economic conditions and uncertain conditions in the credit markets have created, and in the future may create, uncertainty and unpredictability and add risk to our future outlook. An uncertain global economy could also result in churn in our customer base, reductions in revenues from our offerings, longer sales cycles, slower adoption of new technologies and increased price competition, adversely affecting our liquidity. The uncertain economic environment could also have an impact on our foreign exchange forward contracts if our counterparties' credit deteriorates or they are otherwise unable to perform their obligations. Finally, our ability to access the capital markets may be severely restricted at a time when we would like, or need, to do so which could have an impact on our flexibility to pursue additional expansion opportunities and maintain our desired level of revenue growth in the future.

Recent political developments related to the U.K.'s referendum on membership in the EU could have a material adverse effect on our business.

We currently have IBX data centers and employees located in the UK and other European jurisdictions. A referendum was held on June 23, 2016 in the UK to determine whether it should remain in or leave the European Union (the "EU"), the outcome of which was a vote in favor of leaving the EU (the "Brexit"). The Brexit has resulted in political and economic instability throughout Europe. There is considerable uncertainty surrounding the exit process, the extent of the UK's future relationship with the EU, and the longer term impact of the Brexit on economic conditions in the UK and in the EU. The ongoing instability and uncertainty surrounding the Brexit in the near term, and the final terms reached regarding the Brexit, could have an adverse impact on our business and employees in EMEA and could adversely affect our financial condition and results of operations.

If we cannot effectively manage our international operations, and successfully implement our international expansion plans, our revenues may not increase and our business and results of operations would be harmed.

For the years ended December 31, 2016, 2015 and 2014, we recognized approximately 57%, 49% and 49%, respectively, of our revenues outside the U.S. We currently operate outside of the U.S. in Canada, Brazil, Colombia, EMEA and Asia-Pacific.

To date, the network neutrality of our IBX data centers and the variety of networks available to our customers has often been a competitive advantage for us. In certain of our acquired IBX data centers in the Asia-Pacific region the limited number of carriers available reduces that advantage. As a result, we may need to adapt our key revenue-generating offerings and pricing to be

competitive in those markets. In addition, we are currently undergoing expansions or evaluating expansion opportunities outside of the U.S. Undertaking and managing expansions in foreign jurisdictions may present unanticipated challenges to us.

Our international operations are generally subject to a number of additional risks, including:

- the costs of customizing IBX data centers for foreign countries;
- protectionist laws and business practices favoring local competition;
- greater difficulty or delay in accounts receivable collection;
- difficulties in staffing and managing foreign operations, including negotiating with foreign labor unions or workers' councils;
- difficulties in managing across cultures and in foreign languages;
- political and economic instability;
- fluctuations in currency exchange rates;
- difficulties in repatriating funds from certain countries;
- our ability to obtain, transfer, or maintain licenses required by governmental entities with respect to our business;
- unexpected changes in regulatory, tax and political environments;
- our ability to secure and maintain the necessary physical and telecommunications infrastructure;
- compliance with anti-bribery and corruption laws;
- compliance with economic and trade sanctions enforced by the Office of Foreign Assets Control of the U.S. Department of Treasury; and
- compliance with evolving governmental regulation with which we have little experience.

In addition, compliance with international and U.S. laws and regulations that apply to our international operations increases our cost of doing business in foreign jurisdictions. These laws and regulations include data privacy requirements, labor relations laws, tax laws, anti-competition regulations, import and trade restrictions, export requirements, economic and trade sanctions, U.S. laws such as the Foreign Corrupt Practices Act and local laws which also prohibit corrupt payments to governmental officials. Violations of these laws and regulations could result in fines, criminal sanctions against us, our officers or our employees, and prohibitions on the conduct of our business. Any such violations could include prohibitions on our ability to offer our offerings in one or more countries, could delay or prevent potential acquisitions, and could also materially damage our reputation, our brand, our international expansion efforts, our ability to attract and retain employees, our business and our operating results. Our success depends, in part, on our ability to anticipate and address these risks and manage these difficulties.

Economic and political uncertainty in developing markets could adversely affect our revenue and earnings.

We conduct business and are contemplating expansion, in developing markets with economies and governments that tend to be more volatile than those in the U.S. and Western Europe. The risk of doing business in developing markets such as Brazil, China, Colombia, India, Indonesia, Russia, Turkey, the United Arab Emirates and other economically volatile areas could adversely affect our operations and earnings. Such risks include the financial instability among customers in these regions, political instability, such as the recent governmental unrest in Turkey, fraud or corruption and other non-economic factors such as irregular trade flows that need to be managed successfully with the help of the local governments. In addition, commercial laws in some developing countries can be vague, inconsistently administered and retroactively applied. If we are deemed not to be in compliance with applicable laws in developing countries where we conduct business, our prospects and business in those countries could be harmed, which could then have a material adverse impact on our results of operations and financial position. Our failure to successfully manage economic, political and other risks relating to doing business in developing countries and economically and politically volatile areas could adversely affect our business.

Terrorist activity throughout the world and military action to counter terrorism could adversely impact our business.

The continued threat of terrorist activity and other acts of war or hostility contribute to a climate of political and economic uncertainty. Due to existing or developing circumstances, we may need to incur additional costs in the future to provide enhanced security, including cyber security, which would have a material adverse effect on our business and results of operations. These circumstances may also adversely affect our ability to attract and retain customers, our ability to raise capital and the operation and maintenance of our IBX data centers.

Sales or issuances of shares of our common stock may adversely affect the market price of our common stock.

Future sales or issuances of common stock or other equity related securities may adversely affect the market price of our common stock, including any shares of our common stock issued to finance capital expenditures, finance acquisitions or repay debt. In August 2017, we established an "at-the-market" stock offering program ("ATM Program") through which we may, from time to time, issue and sell shares of our common stock having an aggregate gross sales price of up to \$750 million to or through sales agents. We have not made any sales of our common stock under the ATM Program to date.

The market price of our stock may continue to be highly volatile, and the value of an investment in our common stock may decline.

The market price of the shares of our common stock has been and may continue to be highly volatile. General economic and market conditions, and market conditions for telecommunications stocks in general, may affect the market price of our common stock.

Announcements by us or others, or speculations about our future plans, may also have a significant impact on the market price of our common stock. These may relate to:

- our operating results or forecasts;
- new issuances of equity, debt or convertible debt by us, including through our ATM Program;
- increases in market interest rates and changes in other general market and economic conditions, including inflationary concerns;
- changes to our capital allocation, tax planning or business strategy;
- our qualification for taxation as a REIT and our declaration of distributions to our stockholders;
- a stock repurchase program;
- developments in our relationships with corporate customers;
- announcements by our customers or competitors;
- changes in regulatory policy or interpretation;
- governmental investigations;
- changes in the ratings of our debt or stock by rating agencies or securities analysts;
- our purchase or development of real estate and/or additional IBX data centers;
- our acquisitions of complementary businesses; or
- the operational performance of our IBX data centers.

The stock market has from time to time experienced extreme price and volume fluctuations, which have particularly affected the market prices for telecommunications companies, and which have often been unrelated to their operating performance. These broad market fluctuations may adversely affect the market price of our common stock. One of the factors that investors may consider in deciding whether to buy or sell our common stock is our distribution rate as a percentage of our stock price relative to market interest rates. If market interest rates increase, prospective investors may demand a higher distribution rate or seek alternative investments paying higher dividends or interest. As a result, interest rate fluctuations and conditions in the capital markets may affect the market value of our common stock. Furthermore, companies that have experienced volatility in the market price of their stock have been subject to securities class action litigation. We may be the target of this type of litigation in the future. Securities litigation against us could result in substantial costs and/or damages, and divert management's attention from other business concerns, which could seriously harm our business.

If we are not able to generate sufficient operating cash flows or obtain external financing, our ability to fund incremental expansion plans may be limited.

Our capital expenditures, together with ongoing operating expenses, obligations to service our debt and the cash outlays associated with our REIT distribution requirements, are and will continue to be a substantial burden on our cash flow and may decrease our cash balances. Additional debt or equity financing may not be available when needed or, if available, may not be available on satisfactory terms. Our inability to obtain additional debt and/or equity financing or to generate sufficient cash from operations may require us to prioritize projects or curtail capital expenditures which could adversely affect our results of operations.

Fluctuations in foreign currency exchange rates in the markets in which we operate internationally could harm our results of operations.

We may experience gains and losses resulting from fluctuations in foreign currency exchange rates. To date, the majority of revenues and costs in our international operations are denominated in foreign currencies. Where our prices are denominated in U.S. dollars, our sales and revenues could be adversely affected by declines in foreign currencies relative to the U.S. dollar, thereby making our offerings more expensive in local currencies. We are also exposed to risks resulting from fluctuations in foreign currency exchange rates in connection with our international operations. To the extent we are paying contractors in foreign currencies, our operations could cost more than anticipated as a result of declines in the U.S. dollar relative to foreign currencies. In addition, fluctuating foreign currency exchange rates have a direct impact on how our international results of operations translate into U.S. dollars.

Although we currently undertake, and may decide in the future to further undertake, foreign exchange hedging transactions to reduce foreign currency transaction exposure, we do not currently intend to eliminate all foreign currency transaction exposure. In addition, REIT compliance rules may restrict our ability to enter into hedging transactions. Therefore, any weakness of the U.S. dollar may have a positive impact on our consolidated results of operations because the currencies in the foreign countries in which we operate may translate into more U.S. dollars. However, if the U.S. dollar strengthens relative to the currencies of the foreign countries in which we operate, our consolidated financial position and results of operations may be negatively impacted as amounts in foreign currencies will generally translate into fewer U.S. dollars. For additional information on foreign currency risk, refer to our discussion of foreign currency risk in "Quantitative and Qualitative Disclosures About Market Risk" included in Item 3 of this Quarterly Report on Form 10-Q.

Changes in U.S. or foreign tax laws, regulations, or interpretations thereof, including changes to tax rates, may adversely affect our financial statements and cash taxes.

We are a U.S. company with global subsidiaries and are subject to income taxes in the U.S. (although currently limited due to our taxation as a REIT) and many foreign jurisdictions. Significant judgment is required in determining our worldwide provision for income taxes. Although we believe that we have adequately assessed and accounted for our potential tax liabilities, and that our tax estimates are reasonable, there can be no certainty that additional taxes will not be due upon audit of our tax returns or as a result of changes to the tax laws and interpretations thereof. The U.S. government as well as the governments of many of the countries in which we operate are actively discussing changes to the corporate recognition and taxation of worldwide income. The nature and timing of any changes to each jurisdiction's tax laws and the impact on our future tax liabilities cannot be predicted with any accuracy but could materially and adversely impact our results of operations and financial position or cash flows.

We are continuing to invest in our expansion efforts but may not have sufficient customer demand in the future to realize expected returns on these investments.

We are considering the acquisition or lease of additional properties and the construction of new IBX data centers beyond those expansion projects already announced. We will be required to commit substantial operational and financial resources to these IBX data centers, generally 12 to 18 months in advance of securing customer contracts, and we may not have sufficient customer demand in those markets to support these centers once they are built. In addition, unanticipated technological changes could affect customer requirements for data centers, and we may not have built such requirements into our new IBX data centers. Either of these contingencies, if they were to occur, could make it difficult for us to realize expected or reasonable returns on these investments.

Our offerings have a long sales cycle that may harm our revenue and operating results.

A customer's decision to purchase our offerings typically involves a significant commitment of resources. In addition, some customers will be reluctant to commit to locating in our IBX data centers until they are confident that the IBX data center has adequate carrier connections. As a result, we have a long sales cycle. Furthermore, we may devote significant time and resources in pursuing a particular sale or customer that does not result in revenues. We have also significantly expanded our sales force in recent years, and it will take time for these new hires to become fully productive.

Delays due to the length of our sales cycle may materially and adversely affect our revenues and operating results, which could harm our ability to meet our forecasts and cause volatility in our stock price.

Any failure of our physical infrastructure or offerings, or damage to customer infrastructure within our IBX data centers, could lead to significant costs and disruptions that could reduce our revenue and harm our business reputation and financial results.

Our business depends on providing customers with highly reliable solutions. We must safehouse our customers' infrastructure and equipment located in our IBX data centers and ensure our IBX data centers and non-IBX offices remain operational. We own

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certain of our IBX data centers, but others are leased by us, and we rely on the landlord for basic maintenance of our leased IBX data centers and office buildings. If such landlord has not maintained a leased property sufficiently, we may be forced into an early exit from the center which could be disruptive to our business. Furthermore, we continue to acquire IBX data centers not built by us. If we discover that these buildings and their infrastructure assets are not in the condition we expected when they were acquired, we may be required to incur substantial additional costs to repair or upgrade the centers.

Our office buildings and IBX data centers are subject to failure resulting from, and infrastructure within such IBX data centers is at risk from, numerous factors, including:

- human error;
- equipment failure;
- physical, electronic and cyber security breaches;
- fire, earthquake, hurricane, flood, tornado and other natural disasters;
- extreme temperatures;
- water damage;
- fiber cuts;
- power loss;
- terrorist acts;
- sabotage and vandalism; and
- failure of business partners who provide our resale products.

Problems at one or more of our IBX data centers, whether or not within our control, could result in service interruptions or significant equipment damage. We have service level commitment obligations to certain of our customers. As a result, service interruptions or significant equipment damage in our IBX data centers could result in difficulty maintaining service level commitments to these customers and potential claims related to such failures. Because our IBX data centers are critical to many of our customers' businesses, service interruptions or significant equipment damage in our IBX data centers could also result in lost profits or other indirect or consequential damages to our customers. We cannot guarantee that a court would enforce any contractual limitations on our liability in the event that one of our customers brings a lawsuit against us as a result of a problem at one of our IBX data centers and we may decide to reach settlements with affected customers irrespective of any such contractual limitations. Any such settlement may result in a reduction of revenue under U.S. GAAP. In addition, any loss of service, equipment damage or inability to meet our service level commitment obligations could reduce the confidence of our customers and could consequently impair our ability to obtain and retain customers, which would adversely affect both our ability to generate revenues and our operating results.

Furthermore, we are dependent upon internet service providers, telecommunications carriers and other website operators in the Americas, Asia-Pacific and EMEA regions and elsewhere, some of which have experienced significant system failures and electrical outages in the past. Our customers may in the future experience difficulties due to system failures unrelated to our systems and offerings. If, for any reason, these providers fail to provide the required services, our business, financial condition and results of operations could be materially and adversely impacted.

We are currently making significant investments in our back office information technology systems and processes. Difficulties from or disruptions to these efforts may interrupt our normal operations and adversely affect our business and operating results.

We have been investing heavily in our back office information technology systems and processes for a number of years and expect such investment to continue for the foreseeable future in support of our pursuit of global, scalable solutions across all geographies and functions that we operate in. These continuing investments include 1) ongoing improvements to the customer experience from initial quote to customer billing and our revenue recognition process; 2) integration of recently-acquired operations such as Bit-isle, TeleciteyGroup and the Business onto our various information technology systems; and 3) implementation of new tools and technologies to either further streamline and automate processes, such as our fixed asset procure to disposal process, or to support our compliance with evolving U.S. GAAP, such as the new revenue accounting and leasing standards. As a result of our continued work on these projects, we may experience difficulties with our systems, management distraction and significant business disruptions. For example, difficulties with our systems may interrupt our ability to accept and deliver customer orders and may adversely impact our overall financial operations, including our accounts payable, accounts receivables, general ledger, fixed assets, revenue recognition, close processes, internal financial controls and our ability to otherwise run and track our business. We may need to expend significant attention, time and resources to correct problems or find alternative sources for performing these functions. All of these changes to our financial systems also create an increased risk of deficiencies in our internal controls over financial reporting until such systems are stabilized. Such significant investments in our back office systems may take longer to complete and cost more than originally planned. In addition, we may not realize the full benefits we hoped to achieve and there is a risk of an impairment charge if we decide that portions of these projects will not ultimately benefit the company or

are de-scoped. Finally, the collective impact of these changes to our business has placed significant demands on impacted employees across multiple functions, increasing the risk of errors and control deficiencies in our financial statements, distraction from the effective operation of our business and difficulty in attracting and retaining employees. Any such difficulties or disruptions may adversely affect our business and operating results.

Inadequate external and internal information, including budget and planning data, could prove to be inaccurate and lead to inaccurate financial forecasts and inappropriate financial decisions.

Our financial forecasts are dependent on estimates and assumptions including budget and planning data, market growth, foreign exchange rates, our ability to remain qualified as a REIT, and our ability to generate sufficient cash flow to reinvest in the business, fund internal growth, make acquisitions, pay dividends, and meet our debt obligations. Our financial projections are based on historical experience and on various other assumptions that our management believes to be reasonable under the circumstances and at the time they are made. However, if our external and internal information is inadequate, our actual results may differ materially from our forecasts and cause us to make inappropriate financial decisions. Any material variation between our financial forecasts and our actual results may also adversely affect our future profitability, stock price and stockholder confidence.

The level of insurance coverage that we purchase may prove to be inadequate.

We carry liability, property, business interruption and other insurance policies to cover insurable risks to our company. We select the types of insurance, the limits and the deductibles based on our specific risk profile, the cost of the insurance coverage versus its perceived benefit and general industry standards. Our insurance policies contain industry standard exclusions for events such as war and nuclear reaction. We purchase minimal levels of earthquake insurance for certain of our IBX data centers, but for most of our data centers, including many in California, we have elected to self-insure. The earthquake and flood insurance that we do purchase would be subject to high deductibles. Any of the limits of insurance that we purchase, including those for cyber risks, could prove to be inadequate, which could materially and adversely impact our business, financial condition and results of operations.

Our construction of additional new IBX data centers or IBX data center expansions could involve significant risks to our business.

In order to sustain our growth in certain of our existing and new markets, we must expand an existing data center, lease a new facility or acquire suitable land, with or without structures, to build new IBX data centers from the ground up. Expansions or new builds are currently underway, or being contemplated, in many of our markets. Any related construction requires us to carefully select and rely on the experience of one or more designers, general contractors, and associated subcontractors during the design and construction process. Should a designer, general contractor or significant subcontractor experience financial or other problems during the design or construction process, we could experience significant delays, increased costs to complete the project and/or other negative impacts to our expected returns.

Site selection is also a critical factor in our expansion plans. There may not be suitable properties available in our markets with the necessary combination of high power capacity and fiber connectivity, or selection may be limited. Thus, while we may prefer to locate new IBX data centers adjacent to our existing locations it may not always be possible. In the event we decide to build new IBX data centers separate from our existing IBX data centers, we may provide interconnection solutions to connect these two centers. Should these solutions not provide the necessary reliability to sustain connection, this could result in lower interconnection revenue and lower margins and could have a negative impact on customer retention over time.

Environmental regulations may impose upon us new or unexpected costs.

We are subject to various federal, state, local and international environmental and health and safety laws and regulations, including those relating to the generation, storage, handling and disposal of hazardous substances and wastes. Certain of these laws and regulations also impose joint and several liability, without regard to fault, for investigation and cleanup costs on current and former owners and operators of real property and persons who have disposed of or released hazardous substances into the environment. Our operations involve the use of hazardous substances and materials such as petroleum fuel for emergency generators, as well as batteries, cleaning solutions and other materials. In addition, we lease, own or operate real property at which hazardous substances and regulated materials have been used in the past. At some of our locations, hazardous substances or regulated materials are known to be present in soil or groundwater, and there may be additional unknown hazardous substances or regulated materials present at sites we own, operate or lease. At some of our locations, there are land use restrictions in place relating to earlier environmental cleanups that do not materially limit our use of the sites. To the extent any hazardous substances or any other substance or material must be cleaned up or removed from our property, we may be responsible under applicable laws, regulations, judicial or administrative orders, or leases for the removal or cleanup of such substances or materials and the restoration of natural resources, the cost of which could be substantial.

Electricity is a material cost in connection with our business, and an increase in the cost of electricity could adversely affect us. The generators that provide electricity to our facilities are subject to environmental laws, regulations and permit requirements that are subject to material change, which could result in increases in generators' compliance costs that may be passed through to us. Regulations recently promulgated by the United States Environmental Protection Agency (the "U.S. EPA") could limit air emissions from power plants, restrict discharges of cooling water, and otherwise impose new operational restraints on conventional power plants that could increase costs of electricity. The heating, ventilation and air conditioning ("HVAC") and fire suppression systems at some of our facilities may include ozone-depleting substances that are subject to regulation by the U.S. EPA and the laws and regulations of non-U.S. jurisdictions. In addition, we are directly subject to environmental, health and safety laws regulating air emissions, storm water management and other issues arising in our business. For example, our emergency generators are subject to regulations and/or permits governing air pollutants, which could limit the operation of those generators or require the installation of new pollution control technologies. While environmental regulations do not normally impose material costs upon our operations, unexpected events, equipment malfunctions, human error and changes in law or regulations, among other factors, can lead to violations of environmental laws, regulations or permits, and to additional unexpected operational limitations or costs. Changes in law or our operations could require new permits or the renewal or amendment of permits, and it is possible that such changes would impose new limitations on our operations or new compliance costs, the extent of which cannot be estimated at this time.

Regulation of greenhouse gas ("GHG") emissions could increase the cost of electricity by reducing amounts of electricity generated from fossil fuels, by requiring the use of more expensive generating methods or by imposing taxes or fees upon electricity generation or use, or upon GHG emissions. The U.S. EPA published a regulation in October 2015, called the "Clean Power Plan," that is intended to reduce GHG emissions from existing fossil fuel-fired power plants by 32 percent from 2005 levels by 2030 through state programs that could increase the average costs of electricity generation. Numerous petitions for review were filed challenging the rule and, in February 2016, the U.S. Supreme Court stayed implementation of the Clean Power Plan until the litigation is resolved. On March 28, 2017, the U.S. EPA asked the U.S. Court of Appeals for the D.C. Circuit to hold in abeyance the challenges to the Clean Power Plan as a result of an Executive Order issued by President Trump on that day that requires the U.S. EPA to review the Clean Power Plan and other regulations to assess actions it could take to reduce regulatory burden on the oil, natural gas, coal, and nuclear industries. In response, on April 28, 2017, the D.C. Circuit Court issued an order holding the challenges to the Clean Power Plan in abeyance for 60 days, or until June 27, 2017. In light of potential revisions to the Clean Power Plan by the U.S. EPA and the unresolved status of litigation concerning the Clean Power Plan, it is not possible to assess the impact of the Clean Power Plan upon the electric generating sector or upon our costs of operation. While we do not expect these developments to materially increase our costs of electricity, the costs remain difficult to predict or estimate.

State regulations also have the potential to increase our costs of obtaining electricity. While GHG regulation at the federal level is unlikely in the near future, certain states, like California, also have issued or may enact environmental regulations that could materially affect our facilities and electricity costs. California has limited GHG emissions from new and existing conventional power plants by imposing regulatory caps and by selling or auctioning the rights to emission allowances. State programs have not had a material adverse effect on our electricity costs to date, but due to the market-driven nature of some of the programs, could do so in the future. Such laws and regulations are also subject to change at any time.

Aside from regulatory requirements, we have separately undertaken to procure energy from renewable energy projects in order to support new renewables development. The costs of procuring such energy may exceed the costs of procuring electricity from existing sources, such as existing utilities or electric service provided through conventional grids. These efforts to support and enhance renewable electricity generation may increase our costs of electricity above those that would be incurred through procurement of conventional electricity from existing sources.

If we are unable to recruit or retain qualified personnel, our business could be harmed

We must continue to identify, hire, train and retain IT professionals, technical engineers, operations employees, and sales, marketing, finance and senior management personnel who maintain relationships with our customers and who can provide the technical, strategic and marketing skills required for our company to grow. There is a shortage of qualified personnel in these fields, and we compete with other companies for the limited pool of talent. The failure to recruit and retain necessary personnel, including, but not limited to, members of our executive team, could harm our business and our ability to grow our company.

We may not be able to compete successfully against current and future competitors.

We must continue to evolve our product strategy and be able to differentiate our IBX data centers and product offerings from those of our competitors. In addition to competing with other neutral colocation providers, we compete with traditional colocation providers, including telecommunications companies, carriers, internet service providers, managed services providers and large REITs who also operate in our market and may enjoy a cost advantage in providing offerings similar to those provided by our IBX data centers. We may experience competition from our landlords which could also reduce the amount of space available to

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us for expansion in the future. Rather than leasing available space in our buildings to large single tenants, they may decide to convert the space instead to smaller square foot units designed for multi-tenant colocation use, blurring the line between retail and wholesale space. We may also face competition from existing competitors or new entrants to the market seeking to replicate our global IBX data center concept by building or acquiring data centers, offering colocation on neutral terms or by replicating our strategy and messaging. Finally, customers may also decide it is cost-effective for them to build out their own data centers. Once customers have an established data center footprint, either through a relationship with one of our competitors or through in-sourcing, it may be extremely difficult to convince them to relocate to our IBX data centers.

Some of our competitors may adopt aggressive pricing policies, especially if they are not highly leveraged or have lower return thresholds than we do. As a result, we may suffer from pricing pressure that would adversely affect our ability to generate revenues. Some of these competitors may also provide our target customers with additional benefits, including bundled communication services or cloud services, and may do so in a manner that is more attractive to our potential customers than obtaining space in our IBX data centers. Similarly, with growing acceptance of cloud-based technologies, we are at risk of losing customers that may decide to fully leverage cloud infrastructure offerings instead of managing their own. Competitors could also operate more successfully or form alliances to acquire significant market share.

Finally, as our customers evolve their IT strategies, we must remain flexible and evolve along with industry and market shifts. Ineffective planning and execution in our cloud strategy and product development lifecycle may cause difficulty in sustaining competitive advantage in our products and services.

Failure to compete successfully may materially adversely affect our financial condition, cash flows and results of operations.

Our business could be harmed by prolonged power outages or shortages, increased costs of energy or general lack of availability of electrical resources.

Our IBX data centers are susceptible to regional costs of power, power shortages, planned or unplanned power outages and limitations, especially internationally, on the availability of adequate power resources.

Power outages, such as those relating to large storms, earthquakes and tsunamis, could harm our customers and our business. We attempt to limit our exposure to system downtime by using backup generators and power supplies; however, we may not be able to limit our exposure entirely even with these protections in place. Some of our IBX data centers are located in leased buildings where, depending upon the lease requirements and number of tenants involved, we may or may not control some or all of the infrastructure including generators and fuel tanks. As a result, in the event of a power outage, we may be dependent upon the landlord, as well as the utility company, to restore the power.

In addition, global fluctuations in the price of power can increase the cost of energy, and although contractual price increase clauses exist in the majority of our customer agreements, we may not always choose to pass these increased costs on to our customers.

In each of our markets, we rely on third parties to provide a sufficient amount of power for current and future customers. At the same time, power and cooling requirements are growing on a per unit basis. As a result, some customers are consuming an increasing amount of power per cabinet. We generally do not control the amount of power our customers draw from their installed circuits. This means that we could face power limitations in our IBX data centers. This could have a negative impact on the effective available capacity of a given center and limit our ability to grow our business, which could have a negative impact on our financial performance, operating results and cash flows.

We may also have difficulty obtaining sufficient power capacity for potential expansion sites in new or existing markets. We may experience significant delays and substantial increased costs demanded by the utilities to provide the level of electrical service required by our current IBX data center designs.

If our internal controls are found to be ineffective, our financial results or our stock price may be adversely affected.

Our most recent evaluation of our controls resulted in our conclusion that, as of December 31, 2016, in compliance with Section 404 of the Sarbanes-Oxley Act of 2002, our internal controls over financial reporting were effective. Our ability to manage our operations and growth, through, for example, the integration of Bit-isle, TelecityGroup and the Verizon Data Center Acquisition, the adoption of new accounting principles and our overhaul of our back office systems that support customer experience from initial quote to customer billing and our revenue recognition process, will require us to further develop our controls and reporting systems and implement or amend new or existing controls and reporting systems in those areas where the implementation and integration is still ongoing. All of these changes to our financial systems and the implementation and integration of acquisitions create an increased risk of deficiencies in our internal controls over financial reporting. If, in the future, our internal control over financial reporting is found to be ineffective, or if a material weakness is identified in our controls over financial reporting, our

financial results may be adversely affected. Investors may also lose confidence in the reliability of our financial statements which could adversely affect our stock price.

The use of high power density equipment may limit our ability to fully utilize our older IBX data centers.

Some customers have increased their use of high power density equipment, such as blade servers, in our IBX data centers which has increased the demand for power on a per cabinet basis. Because many of our IBX data centers were built a number of years ago, the current demand for power may exceed the designed electrical capacity in these centers. As power, not space, is a limiting factor in many of our IBX data centers, our ability to fully utilize those IBX data centers may be limited. The ability to increase the power capacity of an IBX data center, should we decide to, is dependent on several factors including, but not limited to, the local utility's ability to provide additional power; the length of time required to provide such power; and/or whether it is feasible to upgrade the electrical infrastructure of an IBX data center to deliver additional power to customers. Although we are currently designing and building to a higher power specification than that of many of our older IBX data centers, there is a risk that demand will continue to increase and our IBX data centers could become underutilized sooner than expected.

Our operating results may fluctuate.

We have experienced fluctuations in our results of operations on a quarterly and annual basis. The fluctuations in our operating results may cause the market price of our common stock to be volatile. We may experience significant fluctuations in our operating results in the foreseeable future due to a variety of factors, including, but not limited to:

- fluctuations of foreign currencies in the markets in which we operate;
- the timing and magnitude of depreciation and interest expense or other expenses related to the acquisition, purchase or construction of additional IBX data centers or the upgrade of existing IBX data centers;
- demand for space, power and services at our IBX data centers;
- changes in general economic conditions, such as an economic downturn, or specific market conditions in the telecommunications and internet industries, both of which may have an impact on our customer base;
- charges to earnings resulting from past acquisitions due to, among other things, impairment of goodwill or intangible assets, reduction in the useful lives of intangible assets acquired, identification of additional assumed contingent liabilities or revised estimates to restructure an acquired company's operations;
- the duration of the sales cycle for our offerings and our ability to ramp our newly-hired sales persons to full productivity within the time period we have forecasted;
- restructuring charges or reversals of restructuring charges, which may be necessary due to revised sublease assumptions, changes in strategy or otherwise;
- acquisitions or dispositions we may make;
- the financial condition and credit risk of our customers;
- the provision of customer discounts and credits;
- the mix of current and proposed products and offerings and the gross margins associated with our products and offerings;
- the timing required for new and future IBX data centers to open or become fully utilized;
- competition in the markets in which we operate;
- conditions related to international operations;
- increasing repair and maintenance expenses in connection with aging IBX data centers;
- lack of available capacity in our existing IBX data centers to generate new revenue or delays in opening new or acquired IBX data centers that delay our ability to generate new revenue in markets which have otherwise reached capacity;
- changes in rent expense as we amend our IBX data center leases in connection with extending their lease terms when their initial lease term expiration dates approach or changes in shared operating costs in connection with our leases, which are commonly referred to as common area maintenance expenses;
- the timing and magnitude of other operating expenses, including taxes, expenses related to the expansion of sales, marketing, operations and acquisitions, if any, of complementary businesses and assets;
- the cost and availability of adequate public utilities, including power;
- changes in employee stock-based compensation;
- overall inflation;
- increasing interest expense due to any increases in interest rates and/or potential additional debt financings;
- changes in our tax planning strategies or failure to realize anticipated benefits from such strategies;
- changes in income tax benefit or expense; and
- changes in or new U.S. GAAP as periodically released by the Financial Accounting Standards Board ("FASB").

Any of the foregoing factors, or other factors discussed elsewhere in this report, could have a material adverse effect on our business, results of operations and financial condition. Although we have experienced growth in revenues in recent quarters, this

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growth rate is not necessarily indicative of future operating results. Prior to 2008, we had generated net losses every fiscal year since inception. It is possible that we may not be able to generate net income on a quarterly or annual basis in the future. In addition, a relatively large portion of our expenses are fixed in the short-term, particularly with respect to lease and personnel expenses, depreciation and amortization and interest expenses. Therefore, our results of operations are particularly sensitive to fluctuations in revenues. As such, comparisons to prior reporting periods should not be relied upon as indications of our future performance. In addition, our operating results in one or more future quarters may fail to meet the expectations of securities analysts or investors.

Our days sales outstanding ("DSO") may be negatively impacted by process and system upgrades and acquisitions.

Our DSO may be negatively impacted by ongoing process and system upgrades which can impact our customer's experience in the short term, together with integrating recent acquisitions into our processes and systems which may have a negative impact on our operating cash flows, liquidity and financial performance.

Our reported financial results may be adversely affected by changes in U.S. GAAP.

We prepare our consolidated financial statements in conformity with U.S. GAAP. A change in these principles can have a significant effect on our reported financial position and financial results. In addition, the adoption of new or revised accounting principles may require that we make changes to our systems, processes and controls. For example, we are currently in the process of evaluating the newly issued accounting standards for revenue recognition and leasing, which could have a significant effect on our reported financial results, cause unexpected financial reporting fluctuations or require us to make costly changes to our operational processes and accounting systems upon the adoption of these standards. For additional information regarding the accounting standard updates, see "Accounting Standards Not Yet Adopted" and "Accounting Standards Adopted" sections of Note 1 of Notes in Condensed Consolidated Financial Statements in Item 1 of Part I of this Quarterly Report on Form 10-Q.

We may incur goodwill and other intangible asset impairment charges, or impairment charges to our property, plant and equipment, which could result in a significant reduction to our earnings.

In accordance with U.S. GAAP, we are required to assess our goodwill and other intangible assets annually, or more frequently whenever events or changes in circumstances indicate potential impairment, such as changing market conditions or any changes in key assumptions. If the testing performed indicates that an asset may not be recoverable, we are required to record a non-cash impairment charge for the difference between the carrying value of the goodwill or other intangible assets and the implied fair value of the goodwill or other intangible assets in the period the determination is made.

We also monitor the remaining net book values of our property, plant and equipment periodically, including at the individual IBX data center level. Although each individual IBX data center is currently performing in line with our expectations, the possibility that one or more IBX data centers could begin to under-perform relative to our expectations is possible and may also result in non-cash impairment charges.

These charges could be significant, which could have a material adverse effect on our business, results of operations or financial condition.

We have incurred substantial losses in the past and may incur additional losses in the future.

As of September 30, 2017, our retained earnings were \$187.5 million. Although we have generated net income for each fiscal year since 2008, except for the year ended December 31, 2014, we are also currently investing heavily in our future growth through the build out of multiple additional IBX data centers and IBX data center expansions as well as acquisitions of complementary businesses. As a result, we will incur higher depreciation and other operating expenses, as well as acquisition costs and interest expense, that may negatively impact our ability to sustain profitability in future periods unless and until these new IBX data centers generate enough revenue to exceed their operating costs and cover our additional overhead needed to scale our business for this anticipated growth. The current global financial uncertainty may also impact our ability to sustain profitability if we cannot generate sufficient revenue to offset the increased costs of our recently-opened IBX data centers or IBX data centers currently under construction. In addition, costs associated with the acquisition and integration of any acquired companies, as well as the additional interest expense associated with debt financing we have undertaken to fund our growth initiatives, may also negatively impact our ability to sustain profitability. Finally, given the competitive and evolving nature of the industry in which we operate, we may not be able to sustain or increase profitability on a quarterly or annual basis.

The failure to obtain favorable terms when we renew our IBX data center leases, or the failure to renew such leases, could harm our business and results of operations.

While we own certain of our IBX data centers, others are leased under long-term arrangements with lease terms expiring at various dates through 2065. These leased centers have all been subject to significant development by us in order to convert them from, in most cases, vacant buildings or warehouses into IBX data centers. Most of our IBX data center leases have renewal options

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available to us. However, many of these renewal options provide for the rent to be set at then-prevailing market rates. To the extent that then-prevailing market rates or negotiated rates are higher than present rates, these higher costs may adversely impact our business and results of operations, or we may decide against renewing the lease. In the event that an IBX data center lease does not have a renewal option, or we fail to exercise a renewal option in a timely fashion and lose our right to renew the lease, we may not be successful in negotiating a renewal of the lease with the landlord. A failure to renew a lease could force us to exit a building prematurely, which could be disruptive to our business, harm our customer relationships, expose us to liability under our customer contracts, cause us to take impairment charges and negatively affect our operating results.

We depend on a number of third parties to provide internet connectivity to our IBX data centers; if connectivity is interrupted or terminated, our operating results and cash flow could be materially and adversely affected.

The presence of diverse telecommunications carriers' fiber networks in our IBX data centers is critical to our ability to retain and attract new customers. We are not a telecommunications carrier, and as such, we rely on third parties to provide our customers with carrier services. We believe that the availability of carrier capacity will directly affect our ability to achieve our projected results. We rely primarily on revenue opportunities from the telecommunications carriers' customers to encourage them to invest the capital and operating resources required to connect from their centers to our IBX data centers. Carriers will likely evaluate the revenue opportunity of an IBX data center based on the assumption that the environment will be highly competitive. We cannot provide assurance that each and every carrier will elect to offer its services within our IBX data centers or that once a carrier has decided to provide internet connectivity to our IBX data centers that it will continue to do so for any period of time.

Our new IBX data centers require construction and operation of a sophisticated redundant fiber network. The construction required to connect multiple carrier facilities to our IBX data centers is complex and involves factors outside of our control, including regulatory processes and the availability of construction resources. Any hardware or fiber failures on this network may result in significant loss of connectivity to our new IBX data center expansions. This could affect our ability to attract new customers to these IBX data centers or retain existing customers.

If the establishment of highly diverse internet connectivity to our IBX data centers does not occur, is materially delayed or is discontinued, or is subject to failure, our operating results and cash flow will be adversely affected.

We may be vulnerable to security breaches which could disrupt our operations and have a material adverse effect on our financial performance and operating results.

We face risks associated with unauthorized access to our computer systems, loss or destruction of data, computer viruses, malware, distributed denial-of-service attacks, or other malicious activities. These threats may result from human error, equipment failure, or fraud or malice on the part of employees or third parties. A party who is able to compromise the security measures on our networks or the security of our infrastructure could misappropriate either our proprietary information or the personal information of our customers or our employees, or cause interruptions or malfunctions in our operations or our customers' operations. As we provide assurances to our customers that we provide a high level of security, such a compromise could be particularly harmful to our brand and reputation. We may be required to expend significant capital and resources to protect against such threats or to alleviate problems caused by breaches in security. As techniques used to breach security change frequently, and are generally not recognized until launched against a target, we may not be able to promptly detect that a cyber breach has occurred, or implement security measures in a timely manner or, if and when implemented, we may not be able to determine the extent to which these measures could be circumvented. Any breaches that may occur could expose us to increased risk of lawsuits, regulatory penalties, loss of existing or potential customers, damage relating to loss of proprietary information, harm to our reputation and increases in our security costs, which could have a material adverse effect on our financial performance and operating results. We maintain insurance coverage for cyber risks but such coverage may be unavailable or insufficient to cover our losses.

We offer professional services to our customers where we consult on data center solutions and assist with implementations. We also offer managed services in certain of our foreign jurisdictions outside of the U.S. where we manage the data center infrastructure for our customers. The access gained from these services to our clients' networks and data creates some risk that our clients' networks or data will be improperly accessed. We may also design our clients' cloud storage systems in such a way that exposes our clients to increased risk of data breach. If Equinix were held to be responsible for any such a breach, it could result in a significant loss to Equinix, including damage to Equinix's client relationships, harm to our brand and reputation, and legal liability.

We have government customers, which subjects us to risks including early termination, audits, investigations, sanctions and penalties.

We derive revenues from contracts with the U.S. government, state and local governments and foreign governments. Some of these customers may terminate all or part of their contracts at any time, without cause. There is increased pressure for governments and their agencies, both domestically and internationally, to reduce spending. Some of our federal government contracts are subject

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to the approval of appropriations being made by the U.S. Congress to fund the expenditures under these contracts. Similarly, some of our contracts at the state and local levels are subject to government funding authorizations.

Additionally, government contracts are generally subject to audits and investigations which could result in various civil and criminal penalties and administrative sanctions, including termination of contracts, refund of a portion of fees received, forfeiture of profits, suspension of payments, fines and suspensions or debarment from future government business.

Because we depend on the development and growth of a balanced customer base, including key magnet customers, failure to attract, grow and retain this base of customers could harm our business and operating results.

Our ability to maximize revenues depends on our ability to develop and grow a balanced customer base, consisting of a variety of companies, including enterprises, cloud, digital content and financial companies, and network service providers. We consider certain of these customers to be key magnets in that they draw in other customers. The more balanced the customer base within each IBX data center, the better we will be able to generate significant interconnection revenues, which in turn increases our overall revenues. Our ability to attract customers to our IBX data centers will depend on a variety of factors, including the presence of multiple carriers, the mix of our offerings, the overall mix of customers, the presence of key customers attracting business through vertical market ecosystems, the IBX data center's operating reliability and security and our ability to effectively market our offerings. However, some of our customers may face competitive pressures and may ultimately not be successful or may be consolidated through merger or acquisition. If these customers do not continue to use our IBX data centers it may be disruptive to our business. Finally, the uncertain global economic climate may harm our ability to attract and retain customers if customers slow spending, or delay decision-making, on our offerings, or if customers begin to have difficulty paying us and we experience increased churn in our customer base. Any of these factors may hinder the development, growth and retention of a balanced customer base and adversely affect our business, financial condition and results of operations.

We may be subject to securities class action and other litigation, which may harm our business and results of operations.

We may be subject to securities class action or other litigation. For example, securities class action litigation has often been brought against a company following periods of volatility in the market price of its securities. Litigation can be lengthy, expensive, and divert management's attention and resources. Results cannot be predicted with certainty and an adverse outcome in litigation could result in monetary damages or injunctive relief. Further, any payments made in settlement may directly reduce our revenue under U.S. GAAP and could negatively impact our operating results for the period. For all of these reasons, litigation could seriously harm our business, results of operations, financial condition or cash flows.

We may not be able to protect our intellectual property rights.

We cannot make assurances that the steps taken by us to protect our intellectual property rights will be adequate to deter misappropriation of proprietary information or that we will be able to detect unauthorized use and take appropriate steps to enforce our intellectual property rights. We also are subject to the risk of litigation alleging infringement of third-party intellectual property rights. Any such claims could require us to spend significant sums in litigation, pay damages, develop non-infringing intellectual property, or acquire licenses to the intellectual property that is the subject of the alleged infringement.

Government regulation may adversely affect our business.

Various laws and governmental regulations, both in the U.S. and abroad, governing internet related services, related communications services and information technologies remain largely unsettled, even in areas where there has been some legislative action. For example, the Federal Communications Commission ("FCC") adopted network neutrality rules that may result in material changes in the regulations and contribution regime affecting us and our customers. However, the new FCC leadership may seek to overturn the current rules thus making the future of network neutrality and its impact on Equinix uncertain. There may also be forthcoming regulation in the U.S. in the areas of cybersecurity, data privacy and data security, any of which could impact Equinix and our customers. Similarly, data privacy regulations outside of the U.S. continue to evolve and must be addressed by Equinix as a global company.

Likewise, as part of a review of the current equity market structure, the Securities and Exchange Commission and the Commodity Futures Trading Commission ("CFTC") have both sought comments regarding the regulation of independent data centers, such as us, which provide colocation for financial markets and exchanges. The CFTC is also considering regulation of companies that use automated and high-frequency trading systems. Any such regulation may ultimately affect our provision of offerings.

We remain focused on whether and how existing and changing laws, such as those governing intellectual property, privacy, libel, telecommunications services and taxation, apply to the internet and to related offerings such as ours, and substantial resources may be required to comply with regulations or bring any non-compliant business practices into compliance with such regulations.

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In addition, the continuing development of the market for online commerce and the displacement of traditional telephony service by the internet and related communications services may prompt an increased call for more stringent consumer protection laws or other regulation both in the U.S. and abroad that may impose additional burdens on companies conducting business online and their service providers.

The adoption, or modification of laws or regulations relating to the internet and our business, or interpretations of existing laws, could have a material adverse effect on our business, financial condition and results of operations.

Industry consolidation may have a negative impact on our business model.

If customers combine businesses, they may require less colocation space, which could lead to churn in our customer base. Regional competitors may also consolidate to become a global competitor. Consolidation of our customers and/or our competitors may present a risk to our business model and have a negative impact on our revenues.

We have various mechanisms in place that may discourage takeover attempts.

Certain provisions of our certificate of incorporation and bylaws may discourage, delay or prevent a third party from acquiring control of us in a merger, acquisition or similar transaction that a stockholder may consider favorable. Such provisions include:

- ownership limitations and transfer restrictions relating to our stock that are intended to facilitate our compliance with certain REIT rules relating to share ownership;
- authorization for the issuance of "blank check" preferred stock;
- the prohibition of cumulative voting in the election of directors;
- limits on the persons who may call special meetings of stockholders;
- limits on stockholder action by written consent;
- and
- advance notice requirements for nominations to the Board of Directors or for proposing matters that can be acted on by stockholders at stockholder meetings.

In addition, Section 203 of the Delaware General Corporation Law, which restricts certain business combinations with interested stockholders in certain situations, may also discourage, delay or prevent someone from acquiring or merging with us.

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

None.

Item 3. Defaults Upon Senior Securities

None.

Item 4. Mine Safety Disclosure

Not applicable.

Item 5. Other Information

None.

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Item 6. Exhibits

Exhibit Number	Exhibit Description	Incorporated by Reference			Filed Herewith
		Form	Filing Date/ Period End Date	Exhibit	
2.1	Rule 2.7 Announcement, dated as of May 29, 2015. Recommended Cash and Share Offer for Telecity Group plc by Equinix, Inc.	8-K	5/29/2015	2.1	
2.2	Cooperation Agreement, dated as of May 29, 2015, by and between Equinix, Inc. and Telecity Group plc.	8-K	5/29/2015	2.2	
2.3	Amendment to Cooperation Agreement, dated as of November 24, 2015, by and between Equinix, Inc. and Telecity Group plc.	10-K	12/31/2015	2.3	
2.4	Transaction Agreement, dated as of December 6, 2016, by and between Verizon Communications Inc. and Equinix, Inc.	8-K	12/6/2016	2.1	
2.5	Amendment No.1 to the Transaction Agreement, dated February 23, 2017, by and between Verizon communications Inc. and Equinix, Inc.	10-K	12/31/2016	2.5	
2.6	Amendment No.2 to the Transaction Agreement, dated April 30, 2017, by and between Verizon Communications Inc. and Equinix, Inc.	8-K	5/1/2017	2.1	
3.1	Amended and Restated Certificate of Incorporation of the Registrant, as amended to date.	10-K/A	12/31/2002	3.1	
3.2	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of the Registrant	8-K	6/14/2011	3.1	
3.3	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of the Registrant	8-K	6/11/2013	3.1	
3.4	Certificate of Amendment to the Amended and Restated Certificate of Incorporation of the Registrant	10-Q	6/30/2014	3.4	
3.5	Certificate of Designation of Series A and Series A-1 Convertible Preferred Stock.	10-K/A	12/31/2002	3.3	
3.6	Amended and Restated Bylaws of the Registrant.	8-K	3/29/2016	3.1	
4.6	Indenture, dated as of November 20, 2014, between Equinix, Inc. and U.S. Bank National Association, as trustee	8-K	11/20/2014	4.1	
4.16	Fifth Supplemental Indenture, dated as of September 20, 2017 among Equinix, Inc. and U.S. Bank National Association, as trustee and Elavon Financial Services DAC, UK Branch, as paying agent	8-K	9/20/2017	4.2	
4.17	Form of 2.875% Senior Notes due 2025 (see Exhibit 4.16)				
10.1	Fourth Amendment to Credit Agreement by and among Equinix, Inc., as borrower, the Guarantors (defined therein), the Lenders (defined therein) and Bank of America, N.A., as administrative agent, dated August 15, 2017.				X
31.1	Chief Executive Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
31.2	Chief Financial Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.				X
32.1	Chief Executive Officer Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X

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Exhibit Number	Exhibit Description	Incorporated by Reference			
		Form	Filing Date/ Period End Date	Exhibit	Filed Herewith
32.2	Chief Financial Officer Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.				X
101.INS	XBRL Instance Document.				X
101.SCH	XBRL Taxonomy Extension Schema Document.				X
101.CAL	XBRL Taxonomy Extension Calculation Document.				X
101.DEF	XBRL Taxonomy Extension Definition Document.				X
101.LAB	XBRL Taxonomy Extension Labels Document.				X
101.PRE	XBRL Taxonomy Extension Presentation Document.				X

INDEX TO EXHIBITS

<u>Exhibit Number</u>	<u>Description of Document</u>
10.1	Fourth Amendment to Credit Agreement by and among Equinix, Inc., as borrower, the Guarantors (defined therein), the Lenders (defined therein) and Bank of America, N.A., as administrative agent, dated August 15, 2017.
31.1	Chief Executive Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
31.2	Chief Financial Officer Certification pursuant to Section 302 of the Sarbanes-Oxley Act of 2002.
32.1	Chief Executive Officer Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
32.2	Chief Financial Officer Certification pursuant to Section 906 of the Sarbanes-Oxley Act of 2002.
101.INS	XBRL Instance Document.
101.SCH	XBRL Taxonomy Extension Schema Document.
101.CAL	XBRL Taxonomy Extension Calculation Document.
101.DEF	XBRL Taxonomy Extension Definition Document.
101.LAB	XBRL Taxonomy Extension Labels Document.
101.PRE	XBRL Taxonomy Extension Presentation Document.

FOURTH AMENDMENT TO CREDIT AGREEMENT

This **FOURTH AMENDMENT TO CREDIT AGREEMENT**, dated as of August 15, 2017 (this "Amendment"), is entered into by and among **EQUINIX, INC.**, a Delaware corporation ("Equinix" or the "Borrower"), the Guarantors, each "Lender" (as such term is defined in the Credit Agreement referred to below) party hereto, and **BANK OF AMERICA, N.A.**, as Administrative Agent. Capitalized terms not otherwise defined herein which are defined in the Credit Agreement shall have the same respective meanings herein as therein.

WHEREAS, the Borrower, the Guarantors, the Lenders, the Administrative Agent, and certain other parties thereto, are parties to that certain Credit Agreement, dated as of December 17, 2014 (as amended, amended and restated, supplemented or otherwise modified and in effect from time to time, the "Credit Agreement"), pursuant to which the Lenders agreed to make Loans and participate in Letters of Credit issued by the L/C Issuer, all upon the terms and subject to the conditions set forth therein; and

WHEREAS, the Borrower has requested Refinancing Term Loans to refinance the Dollar Term B-1 Loans, the Sterling Term B-1 Loans and the Term B-2 Loans pursuant to Section 2.17 of the Credit Agreement, and the applicable Credit Agreement Refinancing Facility Lenders are willing to provide the applicable Refinancing Term Loans on the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the premises and the mutual agreements contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto hereby agree as follows:

§1. Amendments to the Credit Agreement

1.01. Subject to Section 3 below, and in reliance on the representations and warranties of the Loan Parties set forth herein, pursuant to Section 10.01 of the Credit Agreement, the Credit Agreement is hereby amended to delete the stricken text (indicated textually in the same manner as the following example: ~~stricken text~~) and to add the double-underlined text (indicated textually in the same manner as the following example: double-underlined text) as set forth in the Credit Agreement attached as Exhibit A hereto.

1.02. This Amendment constitutes a Refinancing Amendment for purposes of the Credit Agreement.

§2. Conditions to Effectiveness

2.01. This Amendment, other than the amendments to the Credit Agreement noted in Sections 2.02, 2.03 and 2.04 below, shall become effective as of the date hereof (the "Fourth Amendment Effective Date") upon the satisfaction of each of the following conditions, in each case in a manner satisfactory in form and substance to the Administrative Agent:

(a) This Amendment shall have been duly executed and delivered by the Borrower, the other Loan Parties, and the Administrative Agent and consented to by each applicable Credit Agreement Refinancing Facility Lender;

(b) The Administrative Agent shall have received (i) lien search results, dated as of a recent date, together with copies of all effective Uniform Commercial Code financing statements that name any Loan Party as debtor, (ii) evidence that all insurance required to be maintained pursuant to the Loan Documents has been obtained and is in effect and (iii) such documents and certifications as the Administrative Agent may reasonably require to evidence that each Loan Party is duly organized or formed, and that the Borrower is validly existing, in good standing and qualified to engage in business in each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect;

(c) The Administrative Agent shall have received a certificate from a Responsible Officer of each of the Loan Parties (i) attesting to the resolutions of such Person's Board of Directors (or equivalent) and, if necessary, shareholders (or equivalent) of such Person, authorizing its execution, delivery, and performance of this Amendment and any other Loan Documents referenced herein to which such Person is to become a party, (ii) authorizing specific officers of such Person to execute the same, (iii) attesting to the incumbency and signatures of such specific officers of such Person, and (iv) certifying as true, correct and complete, copies of such Person's Organization Documents, as amended, modified, or supplemented to the date hereof (or, alternatively, if certified Organization Documents had been previously delivered to the Administrative Agent, then a certification from such Person that there have been no changes or other modifications to such Organization Documents since the date previously delivered to the Administrative Agent);

(d) The Administrative Agent shall have received from the Borrower a certificate signed by a Responsible Officer of the Borrower certifying that (A) before and after giving effect to this Amendment, the conditions specified in Sections 2.01(h), (i) and (j) have been satisfied; and (B) there is not any action, suit, investigation or proceeding pending or, to the knowledge of the Borrower, threatened in any court or before any arbitrator or governmental authority that could reasonably be expected to have a Material Adverse Effect;

(e) The Administrative Agent shall have received a favorable opinion of Orrick, Herrington & Sutcliffe LLP, counsel to the Loan Parties, addressed to the Administrative Agent and each Lender and in form and substance satisfactory to the Administrative Agent;

(f) The Borrower shall have paid all reasonable fees, charges and disbursements of counsel to the Administrative Agent and the Left Lead Arranger (directly to such counsel if requested by the Administrative Agent) to the extent invoiced prior to the date hereof, plus such additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by it through the closing proceedings of this Amendment (provided that such estimate shall not thereafter preclude a final settling of accounts between the Borrower and the Administrative Agent);

(g) The Borrower shall have (i) paid any fees required to be paid to the Administrative Agent, any Joint Lead Arranger or the Lenders on or before the Fourth Amendment Effective Date, including, without limitation, any fees to Lenders as shall have been separately agreed upon in writing in the amounts so specified, or (ii) arranged for the payment of such fees with the Administrative Agent, each Joint Lead Arranger and each Lender, as applicable, on terms satisfactory to the Administrative Agent, such Joint Lead Arranger and such Lender, as applicable;

(h) There shall not have occurred any event or circumstance since December 31, 2016 that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect;

(i) No Default or Event of Default shall have occurred and be continuing immediately prior to or immediately after giving effect to the incurrence of the Refinancing Term Loans contemplated hereby;

(j) The representations and warranties set forth herein, in Article V of the Credit Agreement and in each other Loan Document shall be true and correct in all material respects on and as of the Refinancing Dollar Term B-1 Loans Effective Date (as to the Refinancing Term Loans that are Dollar Term B-1 Loans), the Refinancing Sterling Term B-1 Loans Effective Date (as to the Refinancing Term Loans that are Sterling Term B-1 Loans), and the Refinancing Term B-2 Loans Effective Date (as to the Refinancing Term Loans that are Term B-2 Loans);

(k) The terms of the Refinancing Term Loans shall comply with Section 2.17(c) of the Credit Agreement;

(l) Substantially concurrently with the incurrence of the applicable Refinancing Term Loans, 100% of the proceeds thereof shall be applied to repay the applicable Refinanced Term Loans (including accrued interest, fees, costs, premiums (if any) and expenses related thereto (including any original issue discount or upfront fees) payable in connection therewith);

(m) (i) Each existing applicable Term B Lender that is a Credit Agreement Refinancing Facility Lender shall have exchanged, continued or rolled over its applicable Refinanced Term Loans in accordance with Section 10.01(xi) of the Credit Agreement and (ii) the Borrower shall have received commitments from additional Credit Agreement Refinancing Facility Lenders to the extent necessary to refinance in full the applicable Term B Loans; and

(n) Delivery of such other items, documents, agreements and/or actions (including financial projections, audits, reports, other financial information and certifications) as the Administrative Agent may reasonably request in order to effectuate the transactions contemplated hereby.

2.02. The following amendments to the Credit Agreement, each contained in the amended Credit Agreement attached hereto as Exhibit A, shall become effective as of the date on which this Amendment shall have been duly executed and delivered (or consented to) by each Credit Agreement Refinancing Facility Lender that is a Dollar Term B-1 Lender:

(a) the amendments contained in subclauses (a)(i) and (a)(ii) of the definition of "Applicable Margin"; and

(b) the amendments contained in Section 2.04(d), solely to the extent such amendments relate to the Dollar Term B-1 Loans.

2.03. The following amendments to the Credit Agreement, each contained in the amended Credit Agreement attached hereto as Exhibit A, shall become effective as of the date on which this Amendment shall have been duly executed and delivered (or consented to) by each Credit Agreement Refinancing Facility Lender that is a Sterling Term B-1 Lender:

- (a) the amendment contained in subclause (a)(iii) of the definition of “Applicable Margin”;
- (b) the amendment contained in the proviso to the definition of “Eurocurrency Rate”, solely to the extent such amendment relates to the Sterling Term B-1 Loans; and
- (c) the amendments contained in Section 2.04(d), solely to the extent such amendments relate to the Sterling Term B-1 Loans.

2.04. The following amendments to the Credit Agreement, each contained in the amended Credit Agreement attached hereto as Exhibit A, shall become effective as of the date on which this Amendment shall have been duly executed and delivered (or consented to) by each Credit Agreement Refinancing Facility Lender that is a Term B-2 Lender:

- (a) the amendment contained in subclause (b) of the definition of “Applicable Margin”; and
- (b) the amendments contained in Section 2.04(d), solely to the extent such amendments relate to the Term B-2 Loans.

§3. **FATCA.** For purposes of determining withholding Taxes imposed under the Foreign Account Tax Compliance Act (“**FATCA**”), from and after the Fourth Amendment Effective Date, the Borrower and the Administrative Agent shall treat (and the Lenders hereby authorize the Administrative Agent to treat) the Loans as not qualifying as a “grandfathered obligation” within the meaning of Treasury Regulation Section 1.1471-2(b)(2)(i).

§4. **Representations and Warranties; No Default.** Each of the Loan Parties hereby repeats, on and as of the date hereof, each of the representations and warranties made by it in the Credit Agreement and each other Loan Document (except to the extent of changes resulting from transactions contemplated or permitted by this Amendment, the Credit Agreement and the other Loan Documents, and to the extent that such representations and warranties relate expressly to an earlier date), provided that all references therein to the Credit Agreement shall refer to the Credit Agreement as amended hereby. In addition, each of the Loan Parties hereby represents and warrants that the execution and delivery by such Person of this Amendment and the performance by such Person of all of its agreements and obligations under the Credit Agreement as amended hereby are within the corporate or other organizational authority of such Person and have been duly authorized by all necessary corporate or other organizational action on the part of such Person. The execution and delivery of this Amendment will result in valid and legally binding obligations of such Loan Party, enforceable against such Loan Party in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors’ rights generally and general principles of equity. Each of the Loan Parties hereby further represents and warrants that no Default or Event of Default has occurred and is continuing.

§5. **Ratification, etc.** Except as expressly amended or otherwise modified hereby, the Credit Agreement (including the Multiparty Guaranty) and all documents, instruments and agreements related thereto, including, but not limited to the other Loan Documents and the grant by each of the Grantors (as defined in the Pledge and Security Agreement) to the Administrative Agent, for the benefit of the Secured Parties, of a continuing security interest in any and all right, title and interest of each Grantor in and to all of the Collateral (as defined in the Pledge and Security Agreement as modified hereby), are hereby ratified and confirmed in all respects and shall continue in full force and effect. No amendment, consent or waiver herein granted or agreement herein made shall extend beyond the terms expressly set forth herein for such amendment, consent, waiver or agreement, as the case may be, nor shall anything contained herein be deemed to imply any willingness of the Administrative Agent or the Lenders to agree to, or otherwise prejudice any rights of the Administrative Agent or the Lenders with respect to, any similar amendments, consents, waivers or agreements that may be requested for any future period, and this Amendment shall not be construed as a waiver of any other provision of the Loan Documents or to permit the Borrower or any other Loan Party to take any other action which is prohibited by the terms of the Credit Agreement and the other Loan Documents. The Credit Agreement and this Amendment shall be read and construed as a single agreement. All references in the Credit Agreement or to any related agreement or instrument to the Credit Agreement shall hereafter refer to the Credit Agreement as amended hereby. This Amendment shall constitute a Loan Document. Each Loan Party hereby ratifies and reaffirms the validity and enforceability of all of the Liens and security interests heretofore granted and pledged by such Loan Party pursuant to the Loan Documents to the Administrative Agent, on behalf and for the benefit of the Secured Parties, as collateral security for the Secured Obligations, and acknowledges that all of such Liens and security interests, and all Collateral heretofore granted, pledged or otherwise created as security for the Secured Obligations continue to be and remain collateral security for the Secured Obligations from and after the date hereof. Each of the Guarantors party to the Multiparty Guaranty hereby acknowledges and consents to this Amendment and agrees that the Multiparty Guaranty and all other Loan Documents to which each of the Guarantors are a party remain in full force and effect, and each of the Guarantors confirms and ratifies all of its Secured Obligations thereunder.

§6. **Counterparts.** This Amendment may be executed in one or more counterparts, each of which shall be deemed an original but which together shall constitute one and the same instrument. Delivery of an executed counterpart of a signature

page of this Amendment by facsimile or other electronic imaging means shall be effective as delivery of an original executed counterpart of this Amendment.

§7. **Governing Law.** THIS AMENDMENT SHALL BE GOVERNED BY, AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the date first above written.

BORROWER:

EQUINIX, INC.

By: /s/ Keith D. Taylor
Name: Keith D. Taylor
Title: Chief Financial Officer

GUARANTORS:

EQUINIX LLC

By: /s/ Simon Miller
Name: Simon Miller
Title: Chief Financial Officer

SWITCH & DATA LLC

By: Equinix LLC, its sole managing member

By: /s/ Simon Miller
Name: Simon Miller
Title: Chief Financial Officer

EQUINIX (US) ENTERPRISES, INC.

By: /s/ Simon Miller
Name: Simon Miller
Title: Chief Financial Officer

BANK OF AMERICA, N.A.,
as Administrative Agent

By: /s/ Angela Larkin
Name: Angela Larkin
Title: Assistant Vice President

BANK OF AMERICA, N.A.,
as a Lender

By: /s/ Noreen Lee
Name: Noreen Lee
Title: Vice President

Exhibit A

Composite Credit Agreement

(See Attached)

CREDIT AGREEMENT

Dated as of December 17, 2014

among

EQUINIX, INC.,

as Borrower,

The Guarantors Party Hereto,

BANK OF AMERICA, N.A.,

as Administrative Agent, Lender and L/C Issuer,

JPMORGAN CHASE BANK, N.A. and TD SECURITIES (USA) LLC,
as Co-Syndication Agents,

BARCLAYS BANK PLC, CITIBANK, N.A., ROYAL BANK OF CANADA, and
ING BANK N.V., SINGAPORE BRANCH, as Co-Documentation Agents

The Other Lenders Party Hereto

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED, J. P. MORGAN SECURITIES LLC, and
TD SECURITIES (USA) LLC, as Joint Lead Arrangers and Book Runners with respect to the Revolving Facility and Term A Facility,

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED and
J. P. MORGAN SECURITIES LLC, as Joint Lead Arrangers and Joint Book Runners with respect to the Term B-1 Facility,

CITIGROUP GLOBAL MARKETS, INC., RBC CAPITAL MARKETS¹ RBC Capital Markets is a brand name for the capital markets businesses of Royal Bank of
Canada and its affiliates. and **TD SECURITIES (USA) LLC,** as Joint Lead Arrangers with respect to the Term B-1 Facility,

MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED, JPMORGAN CHASE BANK, N.A., RBC CAPITAL MARKETS, TD SECURITIES (USA)
LLC, MUFG² "MUFG" means The Bank of Tokyo-Mitsubishi UFJ, Ltd., MUFG Union Bank, N.A., MUFG Securities Americas Inc. and/or any other affiliates or
subsidiaries as they collectively deem appropriate to provide certain services to the Borrower., **GOLDMAN SACHS BANK USA,** and **BARCLAYS BANK PLC,** as Joint
Lead Arrangers and Joint Book Runners with respect to the Term B-2 Facility, and

ING BANK N.V., HSBC SECURITIES (USA) INC. and U.S. BANK NATIONAL ASSOCIATION, as Co-Managers with respect to the Term B-2 Facility

¹ RBC Capital Markets is a brand name for the capital markets businesses of Royal Bank of Canada and its affiliates.

² "MUFG" means The Bank of Tokyo-Mitsubishi UFJ, Ltd., MUFG Union Bank, N.A., MUFG Securities Americas Inc. and/or any other affiliates or subsidiaries as they collectively deem appropriate to provide certain services to the Borrower.

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CREDIT AGREEMENT

This CREDIT AGREEMENT ("Agreement") is entered into as of December 17, 2014, among **EQUINIX, INC.**, a Delaware corporation ("Equinix" or the "Borrower"), **EQUINIX LLC**, a Delaware limited liability company and direct wholly-owned Subsidiary of Equinix ("OpCo"), **SWITCH & DATA LLC**, a Delaware limited liability company and indirect wholly-owned Subsidiary of Equinix ("S&D"), **EQUINIX (US) ENTERPRISES, INC.**, a Delaware corporation and indirect wholly-owned Subsidiary of Equinix ("Equinix US"), and any other Person that executes a Joinder Agreement following the Third Amendment Effective Date (as defined below) pursuant to Section 6.14 in order to become a Guarantor hereunder for purposes of Section 10.19 (together with OpCo, S&D and Equinix US, collectively, the "Guarantors" and individually, a "Guarantor"), each lender from time to time party hereto (collectively, the "Lenders" and individually, a "Lender"), **BANK OF AMERICA, N.A.**, as Administrative Agent, Lender and L/C Issuer, **JPMORGAN CHASE BANK, N.A.** and **TD SECURITIES (USA) LLC**, as Co-Syndication Agents, **BARCLAYS BANK PLC**, **CITIBANK, N.A.**, **ROYAL BANK OF CANADA** and **ING BANK N.V., SINGAPORE BRANCH**, as Co-Documentation Agents, **MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED, J. P. MORGAN SECURITIES LLC**, and **TD SECURITIES (USA) LLC**, as Joint Lead Arrangers and Book Runners with respect to the Revolving Facility and Term A Facility, **MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED** and **J.P. MORGAN SECURITIES LLC**, as Joint Lead Arrangers and Joint Book Runners with respect to the Term B-1 Facility, **CITIGROUP GLOBAL MARKETS, INC.**, **RBC CAPITAL MARKETS** and **TD SECURITIES (USA) LLC**, as Joint Lead Arrangers with respect to the Term B-1 Facility, **MERRILL LYNCH, PIERCE, FENNER & SMITH INCORPORATED, JPMORGAN CHASE BANK, N.A.**, **RBC CAPITAL MARKETS, TD SECURITIES (USA) LLC**, **MUFG, GOLDMAN SACHS BANK USA**, and **BARCLAYS BANK PLC**, as Joint Lead Arrangers and Joint Book Runners with respect to the Term B-2 Facility, and **ING BANK N.V., HSBC SECURITIES (USA) INC.** and **U.S. BANK NATIONAL ASSOCIATION**, as Co-Managers with respect to the Term B-2 Facility, with reference to the following facts:

RECITALS

WHEREAS, on the Closing Date, certain Lenders provided the Borrower with a multi-currency revolving credit facility and a term A loan facility;

WHEREAS, pursuant to the First Amendment to Credit Agreement, dated as of April 30, 2015 among the Borrower, certain of the Guarantors, certain Lenders party thereto, the Administrative Agent and the L/C Issuer (the "First Amendment"), the term A loan facility was repaid in full and certain Lenders made certain additional term A loans to the Borrower as further described herein;

WHEREAS, pursuant to the Second Amendment to Credit Agreement, dated as of December 8, 2015 among the Borrower, the Guarantors, certain Lenders party thereto, the Administrative Agent and the L/C Issuer (the "Second Amendment"), the multi-currency revolving credit facility was continued and increased, the term A loans were continued, and certain Lenders made certain term B loans in Dollars and in Sterling to the Borrower as further described herein; and

WHEREAS, the Borrower has requested that the Lenders amend the Credit Agreement to, among other things, provide for additional term B loans in an aggregate principal amount of **up to** €1,000,000,000, and the Lenders are willing to do so on the terms and conditions set forth herein.

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

**ARTICLE I.
DEFINITIONS AND ACCOUNTING TERMS**

1.01. Defined Terms. As used in this Agreement, the following terms shall have the meanings set forth below:

“4.75% Convertible Subordinated Notes Due 2016” means those certain 4.75% convertible subordinated notes due June 2016, issued by Equinix in June 2009 in an initial aggregate principal amount of \$373,750,000, in favor of the holders thereof pursuant to an indenture dated as of June 12, 2009, between Equinix, as issuer, and U.S. Bank National Association, as trustee.

“4.875% Senior Notes Due 2020” means those certain 4.875% senior notes due April 2020, issued by Equinix in March 2013, in an initial aggregate principal amount of \$500,000,000, in favor of the holders thereof pursuant to an indenture dated as of March 5, 2013, between Equinix, as issuer, and U.S. Bank National Association, as trustee.

“5.375% Senior Notes Due 2022” means those certain 5.375% senior notes due January 2022, issued by Equinix in November 2014, in an initial aggregate principal amount of \$750,000,000, in favor of the holders thereof pursuant to an indenture dated as of November 20, 2014, between Equinix, as issuer, and U.S. Bank National Association, as trustee, as supplemented by a First Supplemental Indenture dated as of November 20, 2014.

“5.375% Senior Notes Due 2023” means those certain 5.375% senior notes due April 2023, issued by Equinix in March 2013, in an initial aggregate principal amount of \$1,000,000,000, in favor of the holders thereof pursuant to an indenture dated as of March 5, 2013, between Equinix, as issuer, and U.S. Bank National Association, as trustee.

“5.750% Senior Notes Due 2025” means those certain 5.750% senior notes due January 2025, issued by Equinix in November 2014, in an initial aggregate principal amount of \$500,000,000, in favor of the holders thereof pursuant to an indenture dated as of November 20, 2014, between Equinix, as issuer, and U.S. Bank National Association, as trustee, as supplemented by a Second Supplemental Indenture dated as of November 20, 2014.

“5.875% Senior Notes Due 2026” means those certain 5.875% senior notes due January 2026, issued by Equinix in December 2015, in an initial aggregate principal amount of \$1,100,000,000, in favor of the holders thereof pursuant to an indenture dated as of November 20, 2014, between Equinix, as issuer, and U.S. Bank National Association, as trustee, as supplemented by a Third Supplemental Indenture dated as of December 4, 2015.

“Acquisition” means a purchase or other acquisition, direct or indirect, by any Person of all or substantially all of the assets or all or substantially all of the business of any other Person or of a line of business of any other Person (whether by acquisition of Equity Interests, assets, permitted merger or any combination thereof).

“Additional Revolving Commitment Lender” has the meaning set forth in Section 2.16(d).

“Additional Term A Commitment Lender” has the meaning set forth in Section 2.16(d).

“Additional Term B-1 Commitment Lender” has the meaning set forth in Section 2.16(d).

“Additional Term B-2 Commitment Lender” has the meaning set forth in Section 2.16(d).

“Additional Lender” means, at any time, any Person that is not an existing Lender and that agrees to provide any portion of any Credit Agreement Refinancing Facilities pursuant to a Refinancing Amendment in accordance with Section 2.17; provided that such Additional Lender shall be an Eligible Assignee.

“Adjusted Consolidated Total Assets” means, as of any date of determination, Equinix’s consolidated total assets as shown on the consolidated balance sheet of Equinix and its Subsidiaries as of the end of the immediately preceding fiscal year delivered to the Administrative Agent and the Lenders under Section 6.01(a); provided that if, during the fiscal year in which such date of determination occurs, any Transaction was consummated, “Adjusted Consolidated Total Assets” shall also include the result of (a) the aggregate book value of the total assets acquired by Equinix or its Subsidiaries pursuant to such Transaction as of the date of such consummation minus (b) the aggregate book value of all assets sold or required to be sold as a result of such Transaction, in each case solely to the extent that the foregoing were not included in Equinix’s consolidated total assets as of the end of the immediately preceding fiscal year.

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

“Administrative Agent’s Office” means, with respect to any currency, the Administrative Agent’s address and, as appropriate, account as set forth on Schedule 10.02 with respect to such currency, or such other address or account with respect to such currency as the Administrative Agent may from time to time notify to the Borrower and the Lenders.

“Administrative Questionnaire” means an Administrative Questionnaire in substantially the form of Exhibit G-2 or any other form approved by the Administrative Agent.

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

“Agent Fee Letter” means that amended and restated letter agreement, dated November 18, 2015, among the Borrower, the Administrative Agent and the Left Lead Arranger.

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

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

“Agreement” means this Credit Agreement.

“Alternative Currency” means each of Euro, Sterling, Yen, Canadian Dollars, Australian Dollars, Hong Kong Dollars, Singapore Dollars, Swiss Francs and each other currency (other than Dollars) that is approved in accordance with Section 1.06.

“Alternative Currency Equivalent” means, at any time, with respect to any amount denominated in Dollars, the equivalent amount thereof in the applicable Alternative Currency as determined by the Administrative Agent or the L/C Issuer, as the case may be, at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of such Alternative Currency with Dollars.

“Anti-Corruption Laws” means the United States Foreign Corrupt Practices Act of 1977, the UK Bribery Act 2010, and other similar and applicable legislation in other jurisdictions.

“Applicable Margin” means (a) with respect to the Term B-1 Facility, (i) ~~1.50~~1.00% with respect to Base Rate Loans, (ii) ~~2.50~~2.00% with respect to Dollar Term B-1 Loans that are Eurocurrency Rate Loans and (iii) 3.00% with respect to Sterling Term B-1 [~~Loans that are Eurocurrency Rate~~] Loans, (b) with respect to the Term B-2 Facility, [~~the percentage set forth in the Term B-2 Facility Pricing Notice~~]2.50%, and (c) with respect to the Term A Facility, the Revolving Facility, Facility Fees and Letter of Credit Fees, the following interest rate margins and fees (expressed in basis points per annum), based upon the Consolidated Net Lease Adjusted Leverage Ratio as set forth in the most recent Compliance Certificate received by the Administrative Agent pursuant to Section 6.02(a):

Pricing Level	Consolidated Net Lease Adjusted Leverage Ratio	Applicable Margin for LIBOR Revolving Loans/Letter of Credit Fees	Applicable Margin for LIBOR Term A Loans	Applicable Margin for Base Rate Revolving Loans	Applicable Margin for Base Rate Term A Loans	Facility Fee
3	> 4.50:1	140.0	175.0	40.0	75.0	35.0
2	≤ 4.50:1 but > 3.25:1	120.0	150.0	20.0	50.0	30.0
1	≤ 3.25:1	100.0	125.0	0	25.0	25.0

Any increase or decrease in the Applicable Margin resulting from a change in the Consolidated Net Lease Adjusted Leverage Ratio shall become effective two Business Days after the date that the Administrative Agent receives a duly completed Compliance Certificate pursuant to Section 6.02(a); provided, however, that if the Administrative Agent fails to receive a Compliance Certificate on the due date therefor provided in Section 6.02(a), then the highest Applicable Margin set forth above (i.e., the highest Pricing Level) shall immediately apply and shall continue to apply until such Compliance Certificate is thereafter received, indicating a change in the Consolidated Net Lease Adjusted Leverage Ratio that results in a decrease from the highest Applicable Margin, which decrease shall become effective two Business Days after the date of such receipt by the Administrative Agent.

“Applicable Percentage” means with respect to any Appropriate Lender at any time, with respect to any Facility, the percentage (carried out to the ninth decimal place) of the Aggregate Commitments with respect to such Facility represented by such Lender’s Commitment with respect to such Facility at such time, subject to adjustment as provided in Section 2.15. If the commitment of each Revolving Lender to make Revolving Loans and the obligation of the L/C Issuer to make L/C Credit Extensions have been terminated pursuant to Section 8.02 or if the Aggregate Revolving Commitments have expired, then the Applicable Percentage of each Revolving Lender with respect to the Revolving Facility shall be determined based on the Applicable Percentage of such Lender most recently in effect, giving effect to any subsequent assignments. After the Term Loans for a Term Facility have been advanced, the Applicable Percentage of any Lender with respect to such Term Facility shall be determined based on the percentage (carried out to the ninth decimal place) of the Outstanding Amount of the applicable Term Facility represented by such Lender’s Term A Loans or applicable Term B Loans, as applicable, at such time. The initial Applicable Percentage of each Appropriate Lender with respect to each applicable Facility is set forth opposite the name of such Lender on Schedule 2.01 or in the Assignment and Assumption pursuant to which such Lender becomes a party hereto, as applicable.

“Applicable Time” means, with respect to any borrowings and payments in any Alternative Currency, the local time in the place of settlement for such Alternative Currency as may be determined by the Administrative Agent or the L/C Issuer, as the case may be, to be necessary for timely settlement on the relevant date in accordance with normal banking procedures in the place of payment.

“Appropriate Lender” means, at any time, (a) with respect to any of the Term A Facility, any Term B Facility or the Revolving Facility, a Lender that has a Commitment with respect to such Facility or holds a Term A Loan, an applicable Term B Loan or a Revolving Loan, respectively, at such time and (b) with respect to the Letter of Credit Sublimit, (i) the L/C Issuer and (ii) if any Letters of Credit have been issued pursuant to Section 2.03(a), the Revolving Lenders.

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

“Asset Sale” means any Transfer of property of the Borrower or any of its Subsidiaries other than (a) Transfers permitted under Section 7.05(a), (b), (d) through (j), (l) or (m) or (b) a transaction or series of related transactions for which the Borrower or its Subsidiaries receive aggregate consideration of less than \$10,000,000.

“Assignee Group” means two or more Eligible Assignees that are Affiliates of one another or two or more Approved Funds managed by the same investment advisor.

“Assignment and Assumption” means an assignment and assumption entered into by a Lender and an assignee (with the consent of any party whose consent is required by Section 10.06(b)), and accepted by the Administrative Agent, in substantially the form of Exhibit G-1 or any other form (including electronic documentation generated by use of an electronic platform) approved by the Administrative Agent.

“Attributable A/R Share” means, with respect to any Subsidiary, an amount equal to the product of (a) the percentage of the Equity Interests of such Subsidiary owned directly or indirectly by Equinix multiplied by (b) the net accounts receivable of such Subsidiary.

“Attributable Asset Share” means, with respect to any Subsidiary, an amount equal to the product of (a) the percentage of the Equity Interests of such Subsidiary owned directly or indirectly by Equinix multiplied by (b) the total assets of such Subsidiary.

“Attributable Indebtedness” means, on any date, (a) in respect of any Capital Lease of any Person, the capitalized amount thereof that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP, and (b) in respect of any Synthetic Lease Obligation, the capitalized amount of the remaining lease payments under the relevant lease that would appear on a balance sheet of such Person prepared as of such date in accordance with GAAP if such lease were accounted for as a Capital Lease.

“Auction Manager” means the Administrative Agent.

“Auction Procedures” means the Dutch Auction Procedures set forth on Schedule 10.06(h).

“Audited Financial Statements” means the audited consolidated balance sheet of Equinix and its Subsidiaries for the fiscal year ended December 31, 2014, and the related consolidated statements of income or operations, shareholders’ equity and cash flows for such fiscal year of Equinix and its Subsidiaries, including the notes thereto.

“Australian Dollars” or “AUD” means the lawful currency of the Commonwealth of Australia.

“Availability Period” means, in respect of the Revolving Facility, the period from and including the Closing Date to the earliest of (a) the Revolving Maturity Date, (b) the date of termination of the Aggregate Revolving Commitments pursuant to Section 2.05, and (c) the date of termination of the commitment of each Lender to make Revolving Loans and of the obligation of the L/C Issuer to make L/C Credit Extensions pursuant to Section 8.02.

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

“Bail-In Legislation” means, with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule.

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

“Base Rate” means for any day a fluctuating rate per annum equal to the highest of (a) the Federal Funds Rate plus 1/2 of 1%, (b) the rate of interest in effect for such day as publicly announced from time to time by Bank of America as its “prime rate,” and (c) the Eurocurrency Rate plus 1.00%. The “prime rate” is a rate set by Bank of America based upon various factors including Bank of America’s costs and desired return, general economic conditions and other factors, and is used as a reference point for pricing some loans, which may be priced at, above, or below such announced rate. Any change in such prime rate announced by Bank of America shall take effect at the opening of business on the day specified in the public announcement of such change.

“Base Rate Loan” means a Loan that bears interest based on the Base Rate. All Base Rate Loans shall be denominated in Dollars.

“Base Rate Revolving Loan” means a Revolving Loan that is a Base Rate Loan.

“Base Rate Term A Loan” means a Term A Loan that is a Base Rate Loan.

“Base Rate Term B-1 Loan” means a Term B-1 Loan that is a Base Rate Loan.

“Bit-isle Transaction” means the acquisition of all outstanding Equity Interests of Bit-isle Inc. by a wholly-owned Japanese Subsidiary of the Borrower, through a tender offer and follow-on acquisition under Japanese corporate law.

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

“Borrower Collateral Limit” means, as of any date of determination, an amount equal to the sum of (a) 50% of the Aggregate Revolving Commitments at such time (calculated in Dollars), plus (b) 50% of the aggregate principal amount of each Class of Term Loans outstanding at such time (calculated for each Class of Term Loans in the currency in which the applicable Class of Term Loans is denominated).

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

“Borrowing” means a Revolving Borrowing, a Term A Borrowing, a Term B-1 Borrowing, or a Term B-2 Borrowing as the context may require.

“Business Day” means any day other than a Saturday, Sunday or other day on which commercial banks are authorized to close in New York City or under the Laws of, or are in fact closed in, the state where the Administrative Agent’s Office with respect to Obligations denominated in Dollars is located and:

(a) if such day relates to any interest rate settings as to a Eurocurrency Rate Loan denominated in Dollars, any fundings, disbursements, settlements and payments in Dollars in respect of any such Eurocurrency Rate Loan, or any other dealings in Dollars to be carried out pursuant to this Agreement in respect of any such Eurocurrency Rate Loan, means any such day that is also a London Banking Day;

(b) if such day relates to any interest rate settings as to a Eurocurrency Rate Loan denominated in Euro, any fundings, disbursements, settlements and payments in Euro in respect of any such Eurocurrency Rate Loan, or any other dealings in Euro to be carried out pursuant to this Agreement in respect of any such Eurocurrency Rate Loan, means a TARGET Day;

(c) if such day relates to any interest rate settings as to a Eurocurrency Rate Loan denominated in a currency other than Dollars or Euro, means any such day on which dealings in deposits in the relevant currency are conducted by and between banks in the London or other applicable offshore interbank market for such currency; and

(d) if such day relates to any fundings, disbursements, settlements and payments in a currency other than Dollars or Euro in respect of a Eurocurrency Rate Loan denominated in a currency other than Dollars or Euro, or any other dealings in any currency other than Dollars or Euro to be carried out pursuant to this Agreement in respect of any such Eurocurrency Rate Loan (other than any interest rate settings), means any such day on which banks are open for foreign exchange business in the principal financial center of the country of such currency.

“Canadian Dollars”, “CAD” or “Cdn. \$” means the lawful currency of Canada.

“Capital Lease” means any lease obligation that, in accordance with GAAP, is required to be capitalized on the books of a lessee.

“Cash Collateralize” means to pledge and deposit with or deliver to the Administrative Agent, for the benefit of the Administrative Agent, L/C Issuer and the Revolving Lenders, as collateral for L/C Obligations, or obligations of the Revolving Lenders to fund participations in respect thereof (as the context may require), cash or deposit account balances or, if the L/C Issuer benefitting from such collateral shall agree in its sole discretion, other credit support, in each case pursuant to documentation in form and substance reasonably satisfactory to (a) the Administrative Agent and (b) the L/C Issuer. “Cash Collateral” shall have a meaning correlative to the foregoing and shall include the proceeds of such cash collateral and other credit support.

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

“Cash Management Bank” means any Person in its capacity as a party to a Cash Management Agreement that, (a) at the time it enters into a Cash Management Agreement with a Loan Party, is a Lender or an Affiliate of a Lender, or (b) at the time it (or its Affiliate) becomes a Lender, is a party to a Cash Management Agreement with a Loan Party, in each case in its capacity as a party to such Cash Management Agreement (even if such Person ceases to be a Lender or such Person’s Affiliate ceases to be a Lender); provided, however, that for any of the foregoing to be included as a “Secured Cash Management Agreement” on any date of determination by the Administrative Agent, the applicable Cash Management Bank (other than the Administrative Agent or an Affiliate of the Administrative Agent) must have delivered a Secured Party Designation Notice to the Administrative Agent prior to such date of determination.

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

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

(a) any “person” or “group” (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, but excluding any employee benefit plan of such person or its subsidiaries, and any person or entity acting in its capacity as trustee, agent or other fiduciary or administrator of any such plan) becomes the “beneficial owner” (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934, except that a person or group shall be deemed to have “beneficial ownership” of all securities that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time (such right, an “option right”), directly or indirectly, of greater than 50% of the equity securities of Equinix entitled to vote for members of the board of directors or equivalent governing body of Equinix on a fully-diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right); or

(b) except to the extent otherwise permitted under Section 7.04(a)(i), Section 7.04(a)(ii), Section 7.04(a)(iv), Section 7.05(a)(i), Section 7.05(a)(ii), or Section 7.05(b), (i) Equinix ceases to own, directly or indirectly, all of the Equity Interests of OpCo (or of OpCo’s successor by consolidation, merger or combination as may be permitted by the foregoing exceptions), (ii) Equinix ceases to own, directly or indirectly, all of the Equity Interests of S&D (or of S&D’s successor by consolidation, merger or combination as may be permitted by the foregoing exceptions), or (iii) Equinix ceases to own, directly or indirectly, all of the Equity Interests of each of the other Guarantors.

“CHF Term A Borrowing” means a borrowing consisting of simultaneous CHF A Term Loans of the same Type, in Swiss Francs, and having the same Interest Period made by each of the Term A Lenders on the First Amendment Effective Date.

“CHF Term A Loan” means the term loans advanced by the Term A Lenders to the Borrower in Swiss Francs on the First Amendment Effective Date in the aggregate amount of CHF 47,780,000.

“CHF Term A Note” means a promissory note made by the Borrower in favor of a Term A Lender evidencing the CHF Term A Loan made by such Term A Lender, substantially in the form of Exhibit C-1.

“Class” when used in reference to any Loan or Borrowing, refers to whether such Loan, or the Loans comprising such Borrowing, are Revolving Loans, CHF Term A Loans, Euro Term A Loans, Sterling Term A Loans, Yen Term A Loans, Dollar Term B-1 Loans, Sterling Term B-1 Loans, or Term B-2 Loans, and, when used in reference to any Commitment, refers to whether such Commitment is a Revolving Commitment or Term B-2 Commitment.

“Closing Date” means the first date all of the conditions precedent in Section 4.01 are satisfied or waived in accordance with Section 10.01.

“Code” means the United States Internal Revenue Code of 1986, as amended.

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

“Collateral Documents” means, collectively, the Pledge and Security Agreement, each joinder agreement thereto, each of the foreign-law pledge agreements, each of the other security agreements, pledge agreements or other similar agreements delivered to the Administrative Agent pursuant to Section 6.14 or 6.17, as the case may be, and each of the other agreements, instruments or documents (including Uniform Commercial Code financing statements, consents, stock powers, assignments separate from certificates, and other similar instruments) which create or purport to create a Lien in favor of the Administrative Agent for the benefit of the Secured Parties.

“Commitment” means a Revolving Commitment or a Term B-2 Commitment, as the context requires.

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

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

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

“Consolidated EBITDA” means, as of any date of determination, for Equinix and its Subsidiaries on a consolidated basis, an amount equal to Consolidated Net Income for the Measurement Period plus the sum of the following expenses (to the extent deducted in calculating such Consolidated Net Income) for such Measurement Period: (i) interest expense, (ii) income tax expense, (iii) depreciation expense, (iv) amortization expense and (v) non-cash stock-based compensation expense. For purposes of calculating Consolidated EBITDA, Consolidated Net Income shall be determined without deduction for any of the following items: (a) noncash expenses, charges and losses (including the write-down of any unamortized transaction costs, fees, original issue or underwriting discounts and expenses as a result of the redemption, refinancing, refunding, prepayment or exchange of, or modification to the terms of, any Indebtedness, to the extent not prohibited by this Agreement) not to exceed \$150,000,000 in the aggregate in any fiscal year of Equinix, (b) one-time costs, fees, original issue or underwriting discounts, premiums, expenses, charges and losses incurred in connection with any actual or proposed (1) issuance of Indebtedness or Equity Securities, (2) redemptions, refinancings, refundings, prepayments or exchanges of, or modifications to the terms of, any Indebtedness, (3) restructurings of or modifications to any operating leases, (4) Acquisitions, (5) Investments or (6) Dispositions, in each case to the extent not prohibited by this Agreement (including, for the avoidance of doubt, the issuance by Equinix of the 5.375% Senior Notes Due 2022 and the 5.750% Senior Notes Due 2025 and the entry by Equinix into this Agreement and the other Loan Documents), (c) ongoing expenses relating to the maintenance of Equinix’s status as a REIT and compliance with REIT rules and regulations, (d) any net loss from disposed, abandoned or discontinued operations or product lines but only to the extent such losses do not exceed five percent (5%) of Consolidated EBITDA (calculated before giving effect to this clause (d)) in the aggregate for the Measurement Period and (e) costs and expenses of Equinix and its Subsidiaries associated with the REIT Conversion (including, without limitation, planning and advisory costs related to the foregoing) but only to the extent such costs and expenses do not exceed \$200,000,000 in the aggregate. For purposes of calculating Consolidated EBITDA for any period in which a Permitted Acquisition has been consummated, Consolidated EBITDA shall be adjusted to include, without duplication, (A) the historical EBITDA of the Person acquired in such Permitted Acquisition for the applicable Measurement Period on a pro forma basis as if such Permitted Acquisition had been consummated on the first day of the applicable Measurement Period, as the EBITDA of such acquired Person is reflected in its historical audited financial statements for the most recently ended fiscal year, and management prepared unaudited statements for any periods following the end of such fiscal year and (B) expected cost savings (without duplication of actual cost savings or other charges or expenses that are otherwise added back in calculating Consolidated EBITDA) and synergies to the extent (x) such cost savings and synergies would be permitted to be reflected in pro forma financial information complying with the requirements of GAAP and Article 11 of Regulation S-X under the Securities Act of 1933, and as certified by a Responsible Officer of the Borrower or (y) such cost savings or synergies are factually supportable and have been realized or are reasonably expected to be realized within 365 days following such Permitted Acquisition; provided that the aggregate amount of cost savings and synergies added pursuant to this clause (B) shall not exceed fifteen percent (15%) of Consolidated EBITDA (calculated before giving effect to this clause (B)) in the aggregate for the Measurement Period; provided, further, that for addbacks to cost savings and synergies under clause (y), the Borrower shall have delivered to the Administrative Agent a certificate of a Responsible Officer of the Borrower, in form and substance reasonably satisfactory to the Administrative Agent, certifying that such cost savings and synergies meet the requirements set forth in clause (y), together with reasonably detailed evidence in support thereof. In the event that there are only unaudited financial statements or no financial statements available for such acquired Person, then the pro forma adjustments described in clause (A) above shall be made based on such unaudited financial statements or reasonable estimates as may be agreed between the Borrower and the Administrative Agent.

“Consolidated EBITDAR” means, as of any date of determination, for Equinix and its Subsidiaries on a consolidated basis, an amount equal to the sum of Consolidated EBITDA plus rent expense. For purposes of calculating Consolidated EBITDAR for any period in which a Permitted Acquisition has been consummated, Consolidated EBITDAR shall be adjusted to include, without duplication, (A) the historical EBITDAR of the Person acquired in such Permitted Acquisition for the applicable Measurement Period on a pro forma basis as if such Permitted Acquisition had been consummated on the first day of the applicable Measurement Period, as the EBITDAR of such acquired Person is reflected in its historical audited financial statements for the most recently ended fiscal year, and management prepared unaudited statements for any periods following the end of such fiscal year and (B) expected cost savings (without duplication of actual cost savings or other charges or expenses that are otherwise added back in calculating Consolidated EBITDAR) and synergies to the extent (x) such cost savings and synergies would be permitted to be reflected in pro forma financial information complying with the requirements of GAAP and Article 11 of Regulation S-X under the Securities Act of 1933, and as certified by a Responsible Officer of the Borrower or (y) such cost savings or synergies are factually supportable and have been realized or are reasonably expected to be realized within 365 days following such Permitted Acquisition; provided that the aggregate amount of cost savings and synergies added pursuant to this clause (B) shall not exceed fifteen percent (15%) of Consolidated EBITDAR (calculated before giving effect to this clause (B)) in the aggregate for the Measurement Period; provided, further, that for addbacks to cost savings and synergies under clause (y), the Borrower shall have delivered to the Administrative Agent a certificate of a Responsible Officer of the Borrower, in form and substance reasonably satisfactory to the Administrative Agent, certifying that such cost savings and synergies meet the requirements set forth in clause (y), together with reasonably detailed evidence in support thereof. In the event that there are only unaudited financial statements or no financial statements available for such acquired Person, then the pro forma adjustments described in clause (A) above shall be made based on such unaudited financial statements or reasonable estimates as may be agreed between the Borrower and the Administrative Agent.

“Consolidated Fixed Charges” means, as of any date of determination, for Equinix and its Subsidiaries on a consolidated basis, the sum of, without duplication, (a) the current maturities of long-term debt for the next twelve months (but excluding (i) any Convertible Subordinated Notes, (ii) the current portion of the Revolving Facility, (iii) the final installment of the Term Loans, (iv) the 4.875% Senior Notes Due 2020, (v) the 5.375% Senior Notes Due 2022, (vi) the 5.375% Senior Notes Due 2023, (vii) the 5.750% Senior Notes Due 2025 and (viii) the 5.875% Senior Notes Due 2026), (b) the principal portion of the current maturity of Capital Lease obligations for the next twelve months, (c) interest expense for the Measurement Period most recently ended, and (d) rent expense for the Measurement Period most recently ended.

“Consolidated Fixed Charge Coverage Ratio” means, as of any date of determination, the ratio of (a) Consolidated EBITDAR for the Measurement Period ending on such date *to* (b) Consolidated Fixed Charges.

“Consolidated Funded Indebtedness” means, as of any date of determination, for Equinix and its Subsidiaries on a consolidated basis, the sum of (a) the outstanding principal amount of all obligations, whether current or long-term, for borrowed money (including Obligations hereunder) and all obligations evidenced by bonds, debentures, notes, loan agreements or other similar instruments, (b) all direct obligations arising under letters of credit (including standby and commercial) and bank guaranties (but excluding any of the foregoing to the extent secured by cash collateral), (c) Attributable Indebtedness in respect of Capital Leases and Synthetic Lease Obligations, (d) without duplication, all Guarantees with respect to outstanding Indebtedness of the types specified in clauses (a) through (c) above of Persons other than Equinix or any Subsidiary thereof, and (e) all Indebtedness of the types referred to in clauses (a) through (d) above of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which Equinix or a Subsidiary thereof is a general partner or joint venturer, except to the extent such Indebtedness is expressly made non-recourse to Equinix or such Subsidiary. Notwithstanding the foregoing, as of any date of determination, for purposes of calculating the Consolidated Net Lease Adjusted Leverage Ratio, “Consolidated Funded Indebtedness” shall not include the outstanding principal amount of any debt securities issued by Equinix to the extent that (i) as of such date, Equinix shall have delivered (or the indenture trustee under the applicable indenture shall have delivered on Equinix’s behalf) to the holders of such debt securities an irrevocable notice of redemption with respect to all of such debt securities and shall have deposited funds with the indenture trustee or into an escrow account in an amount required to effect such redemption, unless any portion of such debt securities shall not in fact be redeemed within 35 days of such notice of redemption and deposit of funds or (ii) the proceeds of such debt securities are held by the trustee of the related indenture and have not been released to Equinix or are deposited into an escrow account pending the closing of an acquisition or the redemption of other debt securities solely until such proceeds are released, it being understood that any such proceeds shall not be included in the calculation of clause (iii) of the definition of Consolidated Net Lease Adjusted Indebtedness.

“Consolidated Net Income” means, for any period, for Equinix and its Subsidiaries on a consolidated basis, the net income of Equinix and its Subsidiaries (excluding extraordinary gains and extraordinary losses) for that period.

“Consolidated Net Lease Adjusted Indebtedness” means as of any date of determination, with respect to Equinix and its Subsidiaries, the sum, without duplication, of (i) Consolidated Funded Indebtedness as of such date, plus (ii) rent expense for the Measurement Period ending on such date multiplied by six (6) minus (iii) the amount of unencumbered (other than by Liens permitted under clauses (a), (c) and (g) of Section 7.01) and unrestricted cash, cash equivalents, freely tradable and liquid short term investments, and freely tradable and liquid long term investments of Equinix and its Subsidiaries as of such date.

“Consolidated Net Lease Adjusted Leverage Ratio” means, as of any date of determination, the ratio of (a) Consolidated Net Lease Adjusted Indebtedness as of such date of determination *to* (b) Consolidated EBITDAR for the Measurement Period ending on such date.

“Consolidated Senior Secured Indebtedness” means as of any date of determination, with respect to Equinix and its Subsidiaries, the sum, without duplication, of all Consolidated Funded Indebtedness as of such date that is secured by a Lien (including, without limitation, the Obligations and Attributable Indebtedness in respect of Capital Leases).

“Consolidated Senior Secured Leverage Ratio” means, as of any date of determination, the ratio of (a) Consolidated Senior Secured Indebtedness as of such date of determination to (b) Consolidated EBITDA for the Measurement Period ending on such date.

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

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

“Convertible Subordinated Notes” means any convertible subordinated notes or debentures issued by the Borrower after the date hereof, which are subordinated to the Obligations on terms no less favorable to the Lenders, in any material respect, than the 4.75% Convertible Subordinated Notes Due 2016 (as those terms were in effect and applied to the 4.75% Convertible Subordinated Notes Due 2016 prior to the repayment thereof in full on June 15, 2016).

“Corresponding Debt” has the meaning specified in Section 10.23.

“Credit Agreement Refinancing Facility” means (a) with respect to any Class of Revolving Commitments or Revolving Loans, Replacement Revolving Commitments or Replacement Revolving Loans and (b) with respect to any Class of Term Loans, Refinancing Term Loans.

“Credit Agreement Refinancing Facility Lenders” means the Lenders with a Replacement Revolving Commitment or outstanding Refinancing Term Loans.

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

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

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

“Default Rate” means (a) when used with respect to Obligations other than Letter of Credit Fees, an interest rate equal to (i) the Base Rate plus (ii) the Applicable Margin applicable to Base Rate Loans plus (iii) 2% per annum; provided, however, that with respect to a Eurocurrency Rate Loan, the Default Rate shall be an interest rate equal to the interest rate (including any Applicable Margin) otherwise applicable to such Loan plus 2% per annum, and (b) when used with respect to Letter of Credit Fees, a rate equal to the Applicable Margin plus 2% per annum.

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

“Designated Jurisdiction” means any country or territory to the extent that such country or territory itself is the subject of any Sanction.

“Disposition” or “Dispose” means the sale, transfer, license, lease or other disposition (including any sale and leaseback transaction) of any property by any Person, including any sale, assignment, transfer or other disposal, with or without recourse, of any notes or accounts receivable or any rights and claims associated therewith.

“Disqualified Lenders” means, solely in respect of any Term B Facility, any direct competitor of Equinix and/or any of its Subsidiaries identified by such Person’s name in a written notice to the Administrative Agent delivered at any time after the Second Amendment Effective Date, which notice and each update thereto permitted herein (a) shall be mutually acceptable to the Administrative Agent and the Borrower, (b) may be made available by the Administrative Agent on a Platform accessible by all Lenders and (c) shall become effective two Business Days after the posting thereof; provided that such notice may be updated from time to time to (i) include additional direct competitors of the Borrower or any of its Subsidiaries identified by such Person’s name on such notice or (ii) remove Persons previously designated as “Disqualified Lenders” from such notice. Notwithstanding the foregoing, in no event shall (1) any such update apply retroactively to disqualify any Persons that have previously acquired an assignment or participation interest in the Term B Loans as permitted herein and (2) any Person that the Borrower has designated as no longer being a “Disqualified Lender” by written notice to the Administrative Agent and the Lenders from time to time be deemed a Disqualified Lender.

“Dollar” and “\$” mean lawful money of the United States.

“Dollar Equivalent” means, at any time, (a) with respect to any amount denominated in Dollars, such amount, and (b) with respect to any amount denominated in any Alternative Currency, the equivalent amount thereof in Dollars as determined by the Administrative Agent or the L/C Issuer, as the case may be, at such time on the basis of the Spot Rate (determined in respect of the most recent Revaluation Date) for the purchase of Dollars with such Alternative Currency.

“Dollar Term B-1 Lender” means any Lender that holds Dollar Term B-1 Loans at such time.

“Dollar Term B-1 Loan” has the meaning specified in Section 2.01(a)(ii).

“Domestic Subsidiary” means a Subsidiary of Equinix formed under the laws of the United States or any state thereof.

“DQ List” means the list of Disqualified Lenders provided in a written notice by the Borrower to the Administrative Agent, and any updates thereto from time to time, in each case in accordance with the definition of “Disqualified Lender”.

“EEA Financial Institution” means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a Subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

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

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

“Eligible Assignee” means any Person that meets the requirements to be an assignee under Section 10.06(b)(iii), and (v) (subject to such consents, if any, as may be required under Section 10.06(b)(iii)).

“EMU Legislation” means the legislative measures of the European Council for the introduction of, changeover to or operation of a single or unified European currency.

“Engagement Letter” means that certain letter agreement dated as of November 18, 2015 by and among the Borrower and the Joint Lead Arrangers, as amended.

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

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

“EQIX (Global Holdings)” means EQIX (Global Holdings) C.V., a limited partnership organized under the laws of the Netherlands.

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

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

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

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

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

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

“Euro”, “EUR” and “€” mean the lawful currency of the Participating Member States introduced in accordance with the EMU Legislation.

“Euro Term A Borrowing” means a borrowing consisting of simultaneous Euro A Term Loans of the same Type, in Euro, and having the same Interest Period made by each of the Term A Lenders on the First Amendment Effective Date.

“Euro Term A Loan” means the term loans advanced by the Term A Lenders to the Borrower in Euro on the First Amendment Effective Date in the aggregate amount of EUR 184,945,441.09.

“Euro Term A Note” means a promissory note made by the Borrower in favor of a Term A Lender evidencing the Euro Term A Loan made by such Term A Lender, substantially in the form of Exhibit C-2.

“Eurocurrency Rate” means:

(a) for any Interest Period with respect to a Eurocurrency Rate Loan:

(i) in the case of a Eurocurrency Rate Loan denominated in a LIBOR Quoted Currency, the rate per annum equal to the London Interbank Offered Rate (“LIBOR”) or a comparable or successor rate which rate is approved by the Administrative Agent, as published on the applicable Bloomberg screen page (or such other commercially available source providing quotations of LIBOR as may be designated by the Administrative Agent from time to time) at approximately 11:00 a.m., London time, two Business Days prior to the commencement of such Interest Period, for deposits in the relevant currency (for delivery on the first day of such Interest Period) with a term equivalent to such Interest Period;

(ii) in the case of a Eurocurrency Rate Loan denominated in Canadian dollars, the rate per annum equal to the Canadian Dealer Offered Rate, or a comparable or successor rate which rate is approved by the Administrative Agent, as published on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) at or about 10:00 a.m. (Toronto, Ontario time) on the Rate Determination Date with a term equivalent to such Interest Period;

(iii) in the case of a Eurocurrency Rate Loan denominated in Australian Dollars, the rate per annum equal to the Bank Bill Swap Reference Bid Rate or a comparable or successor rate, which rate is approved by the Administrative Agent, as published on the applicable Bloomberg screen page (or such other commercially available source providing such quotations as may be designated by the Administrative Agent from time to time) at or about 10:30 a.m. (Melbourne, Australia time) on the Rate Determination Date with a term equivalent to such Interest Period; and

(iv) in the case of any other Eurocurrency Rate Loan denominated in a Non-LIBOR Quoted Currency, the rate designated with respect to such Alternative Currency at the time such Alternative Currency is approved by the Administrative Agent and the Appropriate Lenders pursuant to Section 1.06(a); and

(b) for any interest calculation with respect to a Base Rate Loan on any date, the rate per annum equal to LIBOR, at approximately 11:00 a.m., London time determined two Business Days prior to such date for Dollar deposits being delivered in the London interbank market for a term of one month commencing that day;

~~provided that, (w) the Eurocurrency Rate (including for purposes of clause (c) of the definition of “Base Rate”) shall not be less than (A) with respect to Sterling Term B-1 Loans, 0.75% per annum and (B) with respect to Term B-2 Loans, the percentage set forth in the Term B-2 Facility Pricing Notice; (x) with respect to the Revolving Loans, the Term A Loans and the Dollar Term B-1 Loans, [x] if the Eurocurrency Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement; (y) to the extent a comparable or successor rate is approved by the Administrative Agent in connection with any rate set forth in this definition, the approved rate shall be applied in a manner consistent with market practice; and (z) to the extent such market practice is not administratively feasible for the Administrative Agent, such approved rate shall be applied in a manner as otherwise reasonably determined by the Administrative Agent.~~

“Eurocurrency Rate Loan” means a Loan that bears interest at a rate based on clause (a) of the definition of “Eurocurrency Rate.” Eurocurrency Rate Loans may be denominated in Dollars or in an Alternative Currency. All Loans denominated in an Alternative Currency must be Eurocurrency Rate Loans.

“Eurocurrency Rate Revolving Loan” means a Revolving Loan that is a Eurocurrency Rate Loan.

“Eurocurrency Rate Term A Loan” means a Term A Loan that is a Eurocurrency Rate Loan.

“Eurocurrency Rate Term B-1 Loan” means a Term B-1 Loan that is a Eurocurrency Rate Loan.

“Eurocurrency Rate Term B-2 Loan” means a Term B-2 Loan that is a Eurocurrency Rate Loan.

“Eurocurrency Rate Term Loan” means a Term Loan that is a Eurocurrency Rate Loan.

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

“Excluded Swap Obligation” means, with respect to any Guarantor, any Swap Obligation if, and to the extent that, all or a portion of the Multiparty Guaranty of such Guarantor of, or the grant by such Guarantor of a security interest to secure, such Swap Obligation (or any Guarantee thereof) is or becomes illegal under the Commodity Exchange Act or any rule, regulation or order of the Commodity Futures Trading Commission (or the application or official interpretation of any thereof) by virtue of such Guarantor’s failure for any reason to constitute an “eligible contract participant” as defined in the Commodity Exchange Act (determined after giving effect to Section 10.19(k) and any other “keepwell, support or other agreement” for the benefit of such Guarantor and any and all guarantees of such Guarantor’s Swap Obligations by other Loan Parties) at the time the Multiparty Guaranty of such Guarantor, or a grant by such Guarantor of a security interest, becomes effective with respect to such Swap Obligation. If a Swap Obligation arises under a master agreement governing more than one swap, such exclusion shall apply only to the portion of such Swap Obligation that is attributable to swaps for which such Multiparty Guaranty or security interest is or becomes excluded in accordance with the first sentence of this definition.

“Excluded Taxes” means any of the following Taxes imposed on or with respect to any Recipient or required to be withheld or deducted from a payment to a Recipient, (a) Taxes imposed on or measured by net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, (i) imposed as a result of such Recipient being organized under the laws of, or having its principal office or, in the case of any Lender, its Lending Office located in, the jurisdiction imposing such Tax (or any political subdivision thereof) or (ii) that are Other Connection Taxes, (b) in the case of a Lender, U.S. federal withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in a Loan or Commitment pursuant to a law in effect on the date on which (i) such Lender acquires such interest in the Loan or Commitment (other than pursuant to an assignment request by the Borrower under Section 10.13) or (ii) such Lender changes its Lending Office, except in each case to the extent that, pursuant to Section 3.01(a)(ii) or (c), amounts with respect to such Taxes were payable either to such Lender’s assignor immediately before such Lender became a party hereto or to such Lender immediately before it changed its Lending Office, (c) Taxes attributable to such Recipient’s failure to comply with Section 3.01(e) and (d) any U.S. federal withholding Taxes imposed pursuant to FATCA.

“Existing Administrative Agent” has the meaning specified in the definition of “Existing Credit Agreement”.

“Existing Credit Agreement” means that certain Credit Agreement, dated as of June 28, 2012 (as amended) among the Borrower, the subsidiary guarantors party thereto, Bank of America, as administrative agent thereunder (in such capacity, the “Existing Administrative Agent”), the L/C Issuer thereunder, and the lenders party thereto.

“Existing Letters of Credit” means, collectively, the Letters of Credit identified on Schedule 1.01.

“Existing Loan Documents” means the “Loan Documents”, as such term is defined in the Existing Credit Agreement.

“Existing Revolving Commitments” has the meaning specified in Section 2.16(g)(ii).

“Existing Revolving Loans” has the meaning specified in Section 2.16(g)(ii).

“Existing Revolving Maturity Date” has the meaning set forth in Section 2.16(a).

“Existing Term A Loans” has the meaning set forth in Section 2.16(g)(i).

“Existing Term A Maturity Date” has the meaning set forth in Section 2.16(a).

“Existing Term B-1 Loans” has the meaning set forth in Section 2.16(g)(i).

“Existing Term B-1 Maturity Date” has the meaning set forth in Section 2.16(a).

“Existing Term B-2 Loans” has the meaning set forth in Section 2.16(g)(i).

“Existing Term B-2 Maturity Date” has the meaning set forth in Section 2.16(a).

“Extended Revolving Commitments” has the meaning specified in Section 2.16(g)(ii).

“Extended Revolving Loans” has the meaning specified in Section 2.16(g)(ii).

“Extended Term Loans” has the meaning specified in Section 2.16(g)(i).

“Extending Lender” means an Extending Revolving Lender, an Extending Term A Lender, an Extending Term B-1 Lender or an Extending Term B-2 Lender, as applicable.

“Extending Revolving Lender” has the meaning specified in Section 2.16(e)(i).

“Extending Term A Lender” has the meaning specified in Section 2.16(e)(ii).

“Extending Term B-1 Lender” has the meaning specified in Section 2.16(e)(iii).

“Extending Term B-2 Lender” has the meaning specified in Section 2.16(e)(iv).

“Extension Amendment” means an amendment to this Agreement pursuant to which the Revolving Maturity Date, the Term A Maturity Date, the Term B-1 Maturity Date and/or the Term B-2 Maturity Date has been extended in accordance with Section 2.16, which shall be consistent with the applicable provisions of this Agreement and otherwise satisfactory to the parties thereto. Each Extension Amendment shall be executed by the Administrative Agent, the L/C Issuer (to the extent Section 10.01 would require the consent of the L/C Issuer for the amendments effected in such Extension Amendment), the Loan Parties and the applicable Extending Lenders. Any Extension Amendment may include conditions for delivery of opinions of counsel and other documentation consistent with the conditions in Sections 4.01 and/or 4.02 to the extent reasonably requested by the Administrative Agent or the applicable Extending Lenders.

“Extension Date” means any date on which any Existing Term A Loans, any Existing Term B-1 Loans, any Existing Term B-2 Loans or any Existing Revolving Commitments are modified to extend the related Maturity Date in accordance with Section 2.16 (with respect to Lenders under such Existing Term A Loans, Existing Term B-1 Loans, Existing Term B-2 Loans or any Existing Revolving Commitments that agree to such modification).

“Extension Request Notice” has the meaning specified in Section 2.16(a).

“Facility” means the Term A Facility, a Term B Facility or the Revolving Facility, as the context may require.

“Facility Fee” has the meaning specified in Section 2.08(a).

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

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

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

“Federal Funds Rate” means, for any day, the rate per annum equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day; provided that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day as so published on the next succeeding Business Day, (b) if no such rate is so published on such next succeeding Business Day, the Federal Funds Rate for such day shall be the average rate (rounded upward, if necessary, to a whole multiple of 1/100 of 1%) charged to Bank of America on such day on such transactions as determined by the Administrative Agent and (c) if the Federal Funds Rate shall be less than zero, such rate shall be deemed zero for purposes of this Agreement.

“Fee Letters” means the Agent Fee Letter and other letter agreements among the Borrower and any or all Joint Lead Arrangers.

“Financial Covenant Event of Default” has the meaning specified in Section 8.01(b).

“First Amendment” has the meaning specified in the recitals.

“First Amendment Effective Date” has the meaning specified in the First Amendment.

“Foreign Asset Sale” has the meaning specified in Section 2.04(c)(v).

“Foreign Lender” means, with respect to the Borrower, any Lender or L/C Issuer that is organized under the Laws of a jurisdiction other than that in which the Borrower is resident for tax purposes. For purposes of this definition, the United States, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

“Foreign Subsidiary” means any Subsidiary that is organized under the laws of a jurisdiction other than the United States, a State thereof or the District of Columbia.

“Foreign Subsidiary Holdco” means any Domestic Subsidiary substantially all of whose assets consist (or any Domestic Subsidiary that is formed for the purpose of holding assets that substantially consist) of Equity Interests or Indebtedness of (a) one or more Foreign Subsidiaries or (b) other Foreign Subsidiary Holdcos described in clause (a).

“Fourth Amendment” means the Fourth Amendment to Credit Agreement, dated as of August 15, 2017 among the Borrower, the Guarantors, the Lenders party thereto, and the Administrative Agent.

“Fourth Amendment Repricing Effective Date” means (a) with respect to any of the Dollar Term B-1 Loans, the date (if any) on which the conditions set forth in Section 2.02 of the Fourth Amendment have been satisfied with respect to such Dollar Term B-1 Loans, (b) with respect to any of the Sterling Term B-1 Loans, the date (if any) on which the conditions set forth in Section 2.03 of the Fourth Amendment have been satisfied with respect to such Sterling Term B-1 Loans, and (c) with respect to any of the Term B-2 Loans, the date (if any) on which the conditions set forth in Section 2.04 of the Fourth Amendment have been satisfied with respect to such Term B-2 Loans.

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

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

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

“Funds From Operations” means, with respect to any fiscal period, an amount equal to the net income (or deficit) of Equinix and its Subsidiaries for that period computed on a consolidated basis in accordance with GAAP, excluding gains (or losses) from sales of property, plus depreciation and amortization and after adjustments for unconsolidated partnerships and joint ventures; provided that Funds From Operations shall exclude one-time or non-recurring charges and impairment charges, charges from the early extinguishment of indebtedness and other non-cash charges. Adjustments for unconsolidated partnerships and joint ventures will be calculated to reflect Funds From Operations on the same basis. To the extent not inconsistent with the foregoing, Funds From Operations shall be reported in accordance with the NAREIT Policy Bulletin dated April 5, 2002, as amended, restated, supplemented or otherwise modified from time to time.

“GAAP” means generally accepted accounting principles in the United States set forth in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board or such other principles as may be approved by a significant segment of the accounting profession in the United States, that are applicable to the circumstances as of the date of determination, consistently applied.

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

“Guarantee” means, as to any Person, (a) any obligation, contingent or otherwise, of such Person guaranteeing or having the economic effect of guaranteeing any Indebtedness or other obligation payable or performable by another Person (the “primary obligor”) in any manner, whether directly or indirectly, and including any obligation of such Person, direct or indirect, (i) to purchase or pay (or advance or supply funds for the purchase or payment of) such Indebtedness or other obligation, (ii) to purchase or lease property, securities or services for the purpose of assuring the obligee in respect of such Indebtedness or other obligation of the payment or performance of such Indebtedness or other obligation, (iii) to maintain working capital, equity capital or any other financial statement condition or liquidity or level of income or cash flow of the primary obligor so as to enable the primary obligor to pay such Indebtedness or other obligation, or (iv) entered into for the purpose of assuring in any other manner the obligee in respect of such Indebtedness or other obligation of the payment or performance thereof or to protect such obligee against loss in respect thereof (in whole or in part) and will include the Multiparty Guaranty set forth in Section 10.19, or (b) any Lien on any assets of such Person securing any Indebtedness or other obligation of any other Person, whether or not such Indebtedness or other obligation is assumed by such Person (or any right, contingent or otherwise, of any holder of such Indebtedness to obtain any such Lien). The amount of any Guarantee shall be deemed to be an amount equal to the stated or determinable amount of the related primary obligation, or portion thereof, in respect of which such Guarantee is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by the guaranteeing Person in good faith. The term “Guarantee” as a verb has a corresponding meaning.

“Guarantors” has the meaning specified in the introductory paragraph hereto, and in addition, shall include, with respect to the payment and performance by each Specified Loan Party of its obligations under its Multiparty Guaranty with respect to all Swap Obligations, the Borrower.

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

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

“Hong Kong Dollars” or “HKD” means the lawful currency of the Hong Kong Special Administrative Region of the People’s Republic of China.

“Hostile Acquisition” means an Acquisition of all or substantially all of the Equity Interests of a Person through a tender offer or similar solicitation of the owners of such Equity Interests which has not been approved (prior to the consummation of such Acquisition) by the board of directors (or any other applicable governing body) of such Person or by similar or other appropriate action if such Person is not a corporation, or as to which, at the time of consummation of such Acquisition, any such prior approval has been withdrawn.

“Increase Effective Date” has the meaning specified in Section 2.13(d).

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

- (a) all obligations of such Person for borrowed money and all obligations of such Person evidenced by bonds, debentures, notes, loan agreements or other similar instruments;
- (b) all direct or contingent obligations of such Person arising under letters of credit (including standby and commercial), bankers’ acceptances, bank guaranties, surety bonds and similar instruments;
- (c) net obligations of such Person under any Swap Contract;
- (d) all obligations of such Person to pay the deferred purchase price of property or services (other than (i) trade accounts payable in the ordinary course of business and (ii) post-closing purchase price adjustments or earnout obligations in connection with Permitted Acquisitions, in the case of this clause (ii), until such obligations become a liability on the balance sheet of such Person in accordance with GAAP);
- (e) indebtedness (excluding prepaid interest thereon) secured by a Lien on property owned or being purchased by such Person (including indebtedness arising under conditional sales or other title retention agreements), whether or not such indebtedness shall have been assumed by such Person or is limited in recourse;
- (f) Capital Leases and Synthetic Lease Obligations;
- (g) all obligations of such Person to purchase, redeem, retire, defease or otherwise make any payment in respect of any Equity Interest in such Person or any other Person, valued, in the case of a redeemable preferred interest, at the greater of its voluntary or involuntary liquidation preference plus accrued and unpaid dividends; and
- (h) all Guarantees of such Person in respect of any of the foregoing.

For all purposes hereof, the Indebtedness of any Person shall include the Indebtedness of any partnership or joint venture (other than a joint venture that is itself a corporation or limited liability company) in which such Person is a general partner or a joint venturer, except to the extent such Indebtedness is expressly made non-recourse to such Person. The amount of any net obligation under any Swap Contract on any date shall be deemed to be the Swap Termination Value thereof as of such date. The amount of any Capital Lease or Synthetic Lease Obligation as of any date shall be deemed to be the amount of Attributable Indebtedness in respect thereof as of such date.

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

“Indemnities” has the meaning specified in Section 10.04(b).

“Information” has the meaning specified in Section 10.07.

“Initial Term Loan” has the meaning specified in Section 2.01(a)(i).

“Intercompany Accounts” means those accounts receivable of each Loan Party where the account debtor or obligor is a Subsidiary or Affiliate of such Loan Party.

“Interest Payment Date” means, (a) as to any Loan other than a Base Rate Loan, the last day of each Interest Period applicable to such Loan and the applicable Maturity Date; provided, however, that if any Interest Period for a Eurocurrency Rate Loan exceeds three months, the respective dates that fall every three months after the beginning of such Interest Period shall also be Interest Payment Dates; and (b) as to any Base Rate Loan, the last Business Day of each March, June, September and December and the applicable Maturity Date.

“Interest Period” means as to each Eurocurrency Rate Loan, the period commencing on the date such Eurocurrency Rate Loan is disbursed or converted to or continued as a Eurocurrency Rate Loan and ending on the date one, two, three or six months thereafter (or, if consented to by all Appropriate Lenders pursuant to the first proviso to Section 2.02(a), a shorter period, or nine or twelve months thereafter), as selected by the Borrower in its Loan Notice provided that:

- (i) any Interest Period that would otherwise end on a day that is not a Business Day shall be extended to the next succeeding Business Day unless, in the case of a Eurocurrency Rate Loan, such Business Day falls in another calendar month, in which case such Interest Period shall end on the next preceding Business Day;
- (ii) any Interest Period pertaining to a Eurocurrency Rate Loan that begins on the last Business Day of a calendar month (or on a day for which there is no numerically corresponding day in the calendar month at the end of such Interest Period) shall end on the last Business Day of the calendar month at the end of such Interest Period; and
- (iii) no Interest Period pertaining to any Loan shall extend beyond the applicable Maturity Date for such Loan.

“Investment” means, as to any Person, any direct or indirect acquisition or investment by such Person, whether by means of (a) the purchase or other acquisition of capital stock or other securities of another Person, (b) a loan, advance or capital contribution to, Guarantee or assumption of debt of, or purchase or other acquisition of any other debt or equity participation or interest in, another Person, including any partnership or joint venture interest in such other Person and any arrangement pursuant to which the investor Guarantees Indebtedness of such other Person, or (c) the purchase or other acquisition (in one transaction or a series of transactions) of assets of another Person that constitute a business unit. For purposes of covenant compliance, the amount of any Investment shall be the amount actually invested, without adjustment for subsequent increases or decreases in the value of such Investment.

“IRS” means the United States Internal Revenue Service.

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

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

“Joinder Agreement” means a joinder agreement substantially in the form of Exhibit E executed and delivered in accordance with the provisions of Section 6.14, or any other form approved by Administrative Agent.

“Joint Lead Arrangers” means the Left Lead Arranger and J. P. Morgan Securities LLC, in their capacities as joint lead arrangers and joint bookrunners, and Citigroup Global Markets Inc., RBC Capital Markets and TD Securities (USA) LLC, in their capacity as joint lead arrangers.

“JV Entity” means a non-wholly-owned Subsidiary or joint venture in which Equinix or one or more of its Subsidiaries is a joint venturer with another Person.

“JV Interest” means an Equity Interest in a JV Entity.

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

“L/C Advance” means, with respect to each Revolving Lender, such Revolving Lender’s funding of its participation in any L/C Borrowing in accordance with its Applicable Percentage. All L/C Advances shall be denominated in Dollars.

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

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

“L/C Issuer” means Bank of America in its capacity as issuer of Letters of Credit hereunder, or any other Revolving Lender appointed by the Borrower (with the consent of the Administrative Agent and such appointed Lender) as an issuer of Letters of Credit hereunder by written notice to the Revolving Lenders as a replacement for any L/C Issuer who is at the time of such appointment a Defaulting Lender, or any successor issuer of Letters of Credit hereunder. Any reference to “the L/C Issuer” herein shall mean either Bank of America or such other Lender as appointed by the Borrower pursuant to this definition, as applicable.

“L/C Obligations” means, as at any date of determination, the aggregate amount available to be drawn under all outstanding Letters of Credit plus the aggregate of all Unreimbursed Amounts, including all L/C Borrowings. For purposes of computing the amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.09. For all purposes of this Agreement, if on any date of determination a Letter of Credit has expired by its terms but any amount may still be drawn thereunder by reason of the operation of Rule 3.14 of the ISP, such Letter of Credit shall be deemed to be “outstanding” in the amount so remaining available to be drawn.

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

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

“Lending Office” means, as to any Lender, the office or offices of such Lender described as such in such Lender’s Administrative Questionnaire, or such other office or offices as a Lender may from time to time notify the Borrower and the Administrative Agent which office may include any Affiliate of such Lender or any domestic or foreign branch of such Lender or such Affiliate. Unless the context otherwise requires each reference to a Lender shall include its applicable Lending Office.

“Letter of Credit” means any standby letter of credit issued hereunder and shall include the Existing Letters of Credit.

“Letter of Credit Application” means an application and agreement for the issuance or amendment of a Letter of Credit in the form from time to time in use by the L/C Issuer.

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

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

“Letter of Credit Sublimit” means an amount equal to \$250,000,000. The Letter of Credit Sublimit is part of, and not in addition to, the Aggregate Commitments.

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

“LIBOR Quoted Currency” means each of the following currencies: Dollars; Euro; Sterling; Yen; and Swiss Franc; in each case as long as there is a published LIBOR rate with respect thereto.

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

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

“Loan Documents” means this Agreement, each Note, each Issuer Document, any agreement creating or perfecting rights in Cash Collateral pursuant to the provisions of Section 2.14 of this Agreement, the Fee Letters, each Request for Credit Extension, any guaranty of the Obligations by a Guarantor (including the Multiparty Guaranty), the Term B-2 Facility Pricing Notice, the Collateral Documents, each Joinder Agreement, any other joinder agreement executed by any Loan Party in favor of the Administrative Agent, any Lender or Secured Party with respect to any of the other Loan Documents, and any and all other agreements, documents and instruments executed and/or delivered by or on behalf of or in support of any Loan Party to Administrative Agent, any Lender or any Secured Party or their respective authorized designee evidencing or otherwise relating to any of the Credit Extensions or hereunder (but specifically excluding any Secured Hedge Agreement or any Secured Cash Management Agreement).

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

“Loan Parties” means, collectively, the Borrower, each Guarantor and each Pledgor Subsidiary; provided, however, that each Pledgor Subsidiary shall be excluded from the term “Loan Parties” for purposes of such term’s use within (a) the definitions of “Intercompany Accounts”, “Loan Party Accounts Receivable”, “Material Domestic Subsidiary”, “Material Subsidiary”, “Net Loan Party Accounts Receivable” and “Real Property Lease Accounts”, and (b) Sections 4.01, 5.08, 5.17, 7.05(h), the last proviso of Section 7.05 and Section 9.10(a).

“Loan Party Accounts Receivable” means (a) all “accounts” (as such term is defined under Article 9 of the Uniform Commercial Code of the applicable jurisdiction) owned by each Loan Party, whether now owned or existing, or hereafter created, acquired or arising (but excluding Real Property Lease Accounts), (b) any instruments to the extent they evidence an account debtor’s payment obligations with respect to such accounts, and (c) all proceeds (including proceeds of any insurance policies, proceeds of proceeds and claims against third parties), and products of and supporting obligations for the property and assets described in the foregoing clauses (a) and (b).

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

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

“Material Domestic Subsidiary” means, as at any date of determination (determined in accordance with GAAP), any Domestic Subsidiary or group of Domestic Subsidiaries (other than Loan Parties or joint ventures) whose net accounts receivable (after intercompany eliminations and excluding Real Property Lease Accounts), individually or collectively (as the case may be), equal or exceed 10.0% of all net accounts receivable of Equinix and its Domestic Subsidiaries (after intercompany eliminations and excluding Real Property Lease Accounts) as of the end of the most recently completed fiscal quarter of Equinix.

“Material Subsidiary” means, as at any date of determination (determined in accordance with GAAP), any Subsidiary or group of Subsidiaries of Equinix (other than Loan Parties) (a) whose total assets, individually or collectively (as the case may be), equal or exceed 20.0% of the consolidated total assets (after intercompany eliminations) of Equinix and its Subsidiaries as of the end of the most recently completed fiscal quarter of Equinix, or (b) whose revenue, individually or collectively (as the case may be), for the Measurement Period most recently ended equals or exceeds 10.0% of the consolidated revenue (after intercompany eliminations) of Equinix and its Subsidiaries for such Measurement Period.

“Maturity Date” means the Revolving Maturity Date, the Term A Maturity Date, the Term B-1 Maturity Date or the Term B-2 Maturity Date, as the context requires.

“Maximum Incremental Facilities Amount” means, as at any date of determination following the Third Amendment Effective Date, the sum of:

(a) \$500,000,000, plus

(b) the result of (i) any voluntary prepayments of the Loans (in the case of any prepayment of Revolving Loans, solely to the extent such prepayment is accompanied by a permanent reduction in the Aggregate Revolving Commitments in an amount equal to such prepayment) made on or prior to such date (it being understood that any such voluntary prepayment financed with the proceeds of incurrences of Indebtedness shall not be included in the calculation of the amount under this clause (b)(i)), minus (ii) the aggregate principal amount of all increases to the Aggregate Commitments outstanding as of such date and (without duplication) the aggregate principal amount of all Loans outstanding as of such date made pursuant to an increase in the Aggregate Commitments, in each case to the extent such increases were made in reliance on clause (b) (i) of this definition after the Third Amendment Effective Date but on or prior to such date of determination, plus

(c) an additional amount of Aggregate Commitments (if any) such that, after giving effect to the incurrence of Indebtedness under such additional amount of Aggregate Commitments, the Consolidated Senior Secured Leverage Ratio, recomputed on a pro forma basis as of the last day of the most recent fiscal quarter for which statements have been furnished pursuant to Section 6.01(a) or (b), would not exceed 2.25 to 1.00 (assuming (i) the Indebtedness being incurred as of such date of determination would be included in the definition of Consolidated Senior Secured Leverage Ratio, whether or not such Indebtedness would otherwise be so included, and (ii) with respect to all increases in the Aggregate Revolving Commitments made after the Third Amendment Effective Date, assuming a borrowing of the maximum amount of Revolving Loans available thereunder); provided that in the case of any increase in the Aggregate Commitments used to finance a Permitted Acquisition or other Investment permitted under Section 7.02 (x) the Consolidated Senior Secured Leverage Ratio shall be computed giving pro forma effect to such Permitted Acquisition or other Investment (including adjustments with respect to any cost savings or synergies to the extent allowed by the definition of “Consolidated EBITDA”) as if such Permitted Acquisition or other permitted Investment had been consummated on the first day of the applicable Measurement Period and (y) solely to the extent such Permitted Acquisition or other permitted Investment is not contingent on financing, the date of determination for purposes of this clause (c) shall be deemed to be the date on which the definitive agreements for such Permitted Acquisition or other permitted Investment are entered into.

For purposes of the foregoing, increases in the Aggregate Commitments (other than in connection with the Term B-2 Effective Date) first shall be incurred under clause (b), then to the extent compliant, clause (c) and lastly clause (a).

“Measurement Period” means, at any date of determination, the rolling two most recently completed fiscal quarters of Equinix, annualized.

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

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

“Multiparty Guaranty” means, collectively, the guaranty made by the Guarantors in favor of the Secured Parties under Section 10.19.

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

“Net Cash Proceeds” means (a) with respect to any Asset Sale by the Borrower or any of its Subsidiaries, the excess, if any, of (i) the sum of cash and cash equivalents received in connection with such transaction (including any cash or cash equivalents received by way of deferred payment pursuant to, or by monetization of, a note receivable or otherwise, but only as and when so received) over (ii) the sum of (A) the principal amount of any Indebtedness that is secured by the applicable asset and that is required to be repaid in connection with such transaction (other than Indebtedness under the Loan Documents), (B) the reasonable and customary out-of-pocket expenses incurred by the Borrower or such Subsidiary in connection with such transaction, (C) transfer and similar taxes incurred by the Borrower or such Subsidiary in connection with such transaction and income taxes reasonably estimated to be actually payable within two years of the date of the relevant transaction as a result of any gain recognized in connection therewith; provided that, if the amount of any estimated taxes pursuant to subclause (C) exceeds the amount of taxes actually required to be paid in cash in respect of such Disposition, the aggregate amount of such excess shall constitute Net Cash Proceeds, (D) amounts provided as a reserve, in accordance with GAAP, against any liabilities under any indemnification obligations or purchase price adjustment associated with such Asset Sale (provided that, to the extent and at the time any such amounts are released from such reserve, such amounts shall constitute Net Cash Proceeds of such Asset Sale) and (E) in the case of any Asset Sale by a Subsidiary that is not directly or indirectly wholly-owned (other than directors qualifying shares) by the Borrower, the pro rata portion of the Net Cash Proceeds thereof (calculated without regard to this subclause (E)) attributable to minority interests and not available for distribution as a result thereof to or for the account of the Borrower or by a Restricted Subsidiary that is directly or indirectly wholly-owned (other than directors qualifying shares) by the Borrower; and (b) with respect to the incurrence or issuance of any Indebtedness by the Borrower or any of its Restricted Subsidiaries, the excess of (i) the sum of the cash and cash equivalents received in connection with such transaction over (ii) the underwriting discounts and commissions, original issue discounts, fees and other reasonable and customary out-of-pocket expenses, incurred by the Borrower or such Restricted Subsidiary in connection therewith and not netted out of cash and cash equivalents received as described in clause (i).

“Net Loan Party Accounts Receivable” means Loan Party Accounts Receivable excluding Intercompany Accounts.

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

“Non-Extending Lender” has the meaning set forth in Section 2.16(b).

“Non-LIBOR Quoted Currency” means any currency other than a LIBOR Quoted Currency.

“Note” means a Term A Note, a Term B-1 Note, a Term B-2 Note or a Revolving Note, as the context may require.

“Notice Date” has the meaning set forth in Section 2.16(b).

“NY3” means NY 3, LLC, a Delaware limited liability company, and any successor thereto.

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

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

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

“Optional Prepayment Notice” has the meaning specified in [Section 2.04\(a\)](#).

“Optional Termination/Reduction Notice” has the meaning specified in [Section 2.05\(a\)](#).

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

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

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

“[Outstanding Amount](#)” means (a) with respect to any Loans on any date, the Dollar Equivalent amount of the aggregate outstanding principal amount thereof after giving effect to any borrowings and prepayments or repayments of such Loans occurring on such date; and (b) with respect to any L/C Obligations on any date, the Dollar Equivalent amount of the aggregate outstanding amount of such L/C Obligations on such date after giving effect to any L/C Credit Extension occurring on such date and any other changes in the aggregate amount of the L/C Obligations as of such date, including as a result of any reimbursements by the Borrower of Unreimbursed Amounts.

“Overnight Rate” means, for any day, (a) with respect to any amount denominated in Dollars, the greater of (i) the Federal Funds Rate and (ii) an overnight rate determined by the Administrative Agent or the L/C Issuer, as the case may be, in accordance with banking industry rules on interbank compensation, and (b) with respect to any amount denominated in an Alternative Currency, the rate of interest per annum at which overnight deposits in the applicable Alternative Currency, in an amount approximately equal to the amount with respect to which such rate is being determined, would be offered for such day by a branch or Affiliate of Bank of America in the applicable offshore interbank market for such currency to major banks in such interbank market.

“Parallel Debt” has the meaning specified in [Section 10.23](#).

“Participant” has the meaning specified in [Section 10.06\(d\)](#).

“Participant Register” has the meaning specified in [Section 10.06\(d\)](#).

“Participating Member State” means any member state of the European Union that has the Euro as its lawful currency in accordance with legislation of the European Union relating to Economic and Monetary Union.

“PBGC” means the Pension Benefit Guaranty Corporation.

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

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

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

“Permitted Acquisition” means any Acquisition by Equinix or any of its Subsidiaries, provided that: (a) such Investment is not a Hostile Acquisition; and (b) after giving pro forma effect to the consummation of such Acquisition, (i) the Loan Parties shall be in compliance with each of the financial covenants set forth in [Section 7.11](#), and (ii) no Default or Event of Default shall have occurred and be continuing or would result therefrom.

“Permitted Open Market Purchases” means the purchase by the Borrower of Term B Loans in consensual transactions with the applicable Term B Lenders; provided that (a) the aggregate principal amount (calculated on the face amount thereof) of all Term B Loans so purchased by the Borrower shall automatically be cancelled and retired by the Borrower on the settlement date of the relevant repurchase (and may not be resold) and (b) such purchase is made in compliance with the terms of [Section 10.16\(h\)](#).

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

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

“Platform” has the meaning specified in Section 6.02.

“Pledge and Security Agreement” means the Pledge and Security Agreement made by the Borrower and the Guarantors, as pledgors and debtors, in favor of the Administrative Agent, substantially in the form of Exhibit F.

“Pledged Subsidiary” has the meaning specified in Section 6.16.

“Pledgor Subsidiary” has the meaning specified in Section 6.16.

“Project Victory Transaction” means the Borrower’s acquisition of certain assets related to space, power and on-site telecommunications connectivity for information technology equipment in connection with certain business operations at certain sites, together with certain support services relating to the foregoing, from Verizon Communications Inc. (the “Seller”) pursuant to that certain Transaction Agreement dated as of December 6, 2016, between the Borrower and the Seller.

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

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

“Rate Determination Date” means, with respect to any Interest Period, two (2) Business Days prior to the commencement of such Interest Period (or such other day as is generally treated as the rate fixing day by market practice in the relevant interbank market, as determined by the Administrative Agent; provided that to the extent such market practice is not administratively feasible for the Administrative Agent, such other day as otherwise reasonably determined by the Administrative Agent).

“Real Estate Holding Subsidiary” means any Subsidiary (other than a Material Domestic Subsidiary) the assets of which consist primarily of fee or leasehold interests in one or more real estate assets.

“Real Property Lease Accounts” means those accounts receivable of each Loan Party arising from the lease or rental of real property by such Loan Party to the extent such accounts receivable comprise collateral for a third party real property lender.

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

“Refinanced Term Loans” has the meaning specified in Section 2.17(a).

“Refinancing Amendment” means an amendment to this Agreement pursuant to which any Refinancing Term Loans and/or Replacement Revolving Commitments have been provided for in accordance with Section 2.17, which shall be consistent with the applicable provisions of this Agreement and otherwise satisfactory to the parties thereto. Each Refinancing Amendment shall be executed by the Administrative Agent, the L/C Issuer (to the extent Section 10.01 would require the consent of the L/C Issuer for the amendments effected in such Refinancing Amendment), the Loan Parties and the applicable Credit Agreement Refinancing Facility Lenders. Any Refinancing Amendment may include conditions for delivery of opinions of counsel and other documentation consistent with the conditions in Sections 4.01 and/or 4.02 to the extent reasonably requested by the Administrative Agent or the applicable Credit Agreement Refinancing Facility Lenders.

“Refinancing Term Loans” means one or more new Classes of Term Loans that result from a Refinancing Amendment in accordance with Section 2.17.

“Register” has the meaning specified in Section 10.06(c).

“REIT” means a Person that is qualified to be treated for tax purposes as a real estate investment trust under Sections 856-860 of the Code.

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

“Replaced Revolving Commitments” has the meaning specified in Section 2.17(a).

“Replacement Revolving Commitments” means one or more new Classes of Revolving Commitments established pursuant to a Refinancing Amendment in accordance with Section 2.17.

“Replacement Revolving Lender” means a Revolving Lender with a Replacement Revolving Commitment or an outstanding Replacement Revolving Loan.

“Replacement Revolving Loans” means Revolving Loans made pursuant to Replacement Revolving Commitments.

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

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

“Required Lenders” means, as of any date of determination, at least two Lenders holding more than 50% of the sum of the Aggregate Commitments under the Revolving Facility and the Outstanding Amount of all Term Loans or, if the commitment of each Lender to make Loans and the obligation of the L/C Issuer to make L/C Credit Extensions have been terminated pursuant to Section 8.02, at least two Lenders holding in the aggregate more than 50% of the Total Outstandings (with the aggregate amount of each Revolving Lender’s risk participation and funded participation in L/C Obligations being deemed “held” by such Lender for purposes of this definition). The Total Credit Exposure of any Defaulting Lender shall be disregarded in determining Required Lenders at any time; provided that, the amount of any Unreimbursed Amounts that such Defaulting Lender has failed to fund that have not been reallocated to and funded by another Lender shall be deemed to be held by the Lender that is the L/C Issuer in making such determination.

“Required Revolving Lenders” means, as of any date of determination, at least two Revolving Lenders holding more than 50% of the sum of the (a) Total Revolving Outstandings (with the aggregate amount of each Revolving Lender’s risk participation and funded participation in L/C Obligations being deemed “held” by such Revolving Lender for purposes of this definition) and (b) aggregate unused Revolving Commitments; provided that the unused Revolving Commitment of, and the portion of the Total Revolving Outstandings held or deemed held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Revolving Lenders.

“Required Revolving and Term A Lenders” means as of any date of determination, at least two Lenders holding more than 50% of the sum of (a) Total Revolving Outstandings (with the aggregate amount of each Revolving Lender’s risk participation and funded participation in L/C Obligations being deemed “held” by such Revolving Lender for purposes of this definition), (b) the aggregate unused Revolving Commitments and (c) the Outstanding Amount of the Term A Loans; provided that the unused Revolving Commitment of, the portion of the Total Revolving Outstandings held or deemed held by, and the Term A Loans held by, any Defaulting Lender shall be excluded for purposes of making a determination of Required Revolving and Term A Lenders.

“Required Term A Lenders” means, as of any date of determination, at least two Term A Lenders holding more than 50% of the Outstanding Amount of the Term A Loans; provided that the Term A Loans held by any Defaulting Lender shall be excluded for purposes of making a determination of Required Term A Lenders.

“Required Term B Lenders” means, as of any date of determination, Term B Lenders holding more than 50% of the Term B Facilities on such date; provided that the portion of any Term B Loans held by any Defaulting Lender shall be excluded for purposes of making a determination of Required Term B Lenders.

“Responsible Officer” means the chief executive officer, chief financial officer, treasurer or vice president-tax and treasury of a Loan Party, and solely for purposes of the delivery of incumbency certificates pursuant to Section 4.01, the secretary or any assistant secretary of a Loan Party and, solely for purposes of notices given pursuant to Article II, any other officer of the applicable Loan Party so designated by any of the foregoing officers in a notice to the Administrative Agent or any other officer or employee of the applicable Loan Party designated in or pursuant to an agreement between the applicable Loan Party and the Administrative Agent. Any document delivered hereunder that is signed by a Responsible Officer of a Loan Party shall be conclusively presumed to have been authorized by all necessary corporate, partnership and/or other action on the part of such Loan Party and such Responsible Officer shall be conclusively presumed to have acted on behalf of such Loan Party.

“Restricted Payment” means any dividend or other distribution (whether in cash, securities or other property) with respect to any capital stock or other Equity Interest of the Borrower or any Subsidiary, or any payment (whether in cash, securities or other property), including any sinking fund or similar deposit, on account of the purchase, redemption, retirement, acquisition, cancellation or termination of any such capital stock or other Equity Interest, or on account of any return of capital to the Borrower’s stockholders, partners or members (or the equivalent Person thereof).

“Restricted Subsidiary” means any Subsidiary of the Borrower that is not an Unrestricted Subsidiary.

“Revaluation Date” means (a) with respect to any Eurocurrency Rate Loan, each of the following: (i) each date of a Borrowing of such Eurocurrency Rate Loan denominated in an Alternative Currency, (ii) each date of a continuation of such Eurocurrency Rate Loan denominated in an Alternative Currency pursuant to Section 2.02, and (iii) such additional dates as the Administrative Agent shall determine or the Required Lenders shall reasonably require; and (b) with respect to any Letter of Credit, each of the following: (i) each date of issuance of a Letter of Credit denominated in an Alternative Currency, (ii) each date of an amendment of any such Letter of Credit having the effect of increasing the amount thereof (solely with respect to the increased amount), (iii) each date of any payment by the L/C Issuer under any Letter of Credit denominated in an Alternative Currency and (iv) such additional dates as the Administrative Agent or the L/C Issuer shall determine or the Required Lenders shall reasonably require (including, without limitation, any date of determination of the Total Outstandings and the Outstanding Amount of L/C Obligations).

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

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

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

“Revolving Facility” means the credit facility consisting of the Revolving Commitments and outstanding Revolving Loans and L/C Obligations.

“Revolving Lender” means, at any time, any Lender that has a Revolving Commitment at such time.

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

“Revolving Maturity Date” means (a) December 17, 2019 and (b) if such maturity date is extended pursuant to Section 2.16, solely as to each Revolving Lender agreeing to extend such maturity date, such extended maturity date as determined pursuant to such Section; provided, however, that if such date is not a Business Day, the Revolving Maturity Date shall be the immediately preceding Business Day.

“Revolving Note” means a promissory note made by the Borrower in favor of a Revolving Lender evidencing Revolving Loans made by such Revolving Lender, substantially in the form of Exhibit B.

“S&D” has the meaning specified in the introductory paragraph hereto.

“Sale-Leaseback Transaction” means, with respect to any Person, the sale of property owned by such Person (the “S-L Seller”) to another Person (the “S-L Buyer”), together with the substantially concurrent leasing of such property by the S-L Buyer to the S-L Seller.

“Same Day Funds” means (a) with respect to disbursements and payments in Dollars, immediately available funds, and (b) with respect to disbursements and payments in an Alternative Currency, same day or other funds as may be determined by the Administrative Agent or the L/C Issuer, as the case may be, to be customary in the place of disbursement or payment for the settlement of international banking transactions in the relevant Alternative Currency.

“Sanction(s)” means any sanction or embargo imposed, administered or enforced by the United States Government (including without limitation, OFAC), the European Union or Her Majesty’s Treasury.

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

“Second Amendment” has the meaning specified in the recitals.

“Second Amendment Effective Date” has the meaning specified for such term in the Second Amendment.

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

“Secured Hedge Agreement” means any interest rate, currency, foreign exchange, or commodity Swap Contract permitted under Article VI or VII between any Loan Party and/or any of its Subsidiaries and any Hedge Bank.

“Secured Obligations” means (a) all Obligations, (b) all obligations arising under Secured Cash Management Agreements and Secured Hedge Agreements and (c) all costs and expenses incurred in connection with enforcement and collection of the foregoing, including the fees, charges and disbursements of counsel, in each case whether direct or indirect (including those acquired by assumption), absolute or contingent, due or to become due, now existing or hereafter arising and including interest and fees that accrue after the commencement by or against any Loan Party or any Affiliate thereof of any proceeding under any Debtor Relief Laws naming such Person as the debtor in such proceeding, regardless of whether such interest and fees are allowed claims in such proceeding; provided that the Secured Obligations shall exclude any Excluded Swap Obligations. Solely with respect to the Borrower’s grant of a security interest in its Collateral pursuant to the Collateral Documents, and for no other purpose, the amount of Secured Obligations (but not Obligations) of the Borrower shall be limited to an amount equal to the Borrower Collateral Limit. The Borrower Collateral Limit shall not limit the amount of Secured Obligations guaranteed by the Guarantors, nor the amount of Secured Obligations secured by the Guarantors’ Collateral.

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

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

“Senior Notes Indentures” means, collectively, the Indentures (together with any Supplemental Indentures thereto) entered into by Equinix in connection with the 4.875% Senior Notes Due 2020, the 5.375% Senior Notes Due 2022, the 5.375% Senior Notes Due 2023, the 5.750% Senior Notes Due 2025 and the 5.875% Senior Notes Due 2026.

“Singapore Dollars” or “SGD” means the lawful currency of the Republic of Singapore.

“Special Mandatory Redemption Event” means a mandatory redemption (at par) of the 5.875% Senior Notes Due 2026 triggered by either of the following: (a) the Telecity Transaction is not completed on or prior to November 29, 2016 or (b) prior to November 29, 2016, the offer in respect of the Telecity Transaction has lapsed or been withdrawn for the purposes of the U.K. City Code on Takeovers and Mergers.

“Special Notice Currency” means at any time an Alternative Currency, other than the currency of a country that is a member of the Organization for Economic Cooperation and Development at such time located in North America or Europe.

“Specified Loan Party” means any Loan Party that is not an “eligible contract participant” under the Commodity Exchange Act (determined prior to giving effect to Section 10.19(k)).

“Spot Rate” for a currency means the rate determined by the Administrative Agent or the L/C Issuer, as applicable, to be the rate quoted by the Person acting in such capacity as the spot rate for the purchase by such Person of such currency with another currency through its principal foreign exchange trading office at approximately 11:00 a.m. on the date two Business Days prior to the date as of which the foreign exchange computation is made; provided that the Administrative Agent or the L/C Issuer may obtain such spot rate from another financial institution designated by the Administrative Agent or the L/C Issuer if the Person acting in such capacity does not have as of the date of determination a spot buying rate for any such currency; and provided further that the L/C Issuer may use such spot rate quoted on the date as of which the foreign exchange computation is made in the case of any Letter of Credit denominated in an Alternative Currency.

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

“Sterling”, “GBP” and “£” mean the lawful currency of the United Kingdom.

“Sterling Term A Borrowing” means a borrowing consisting of simultaneous Sterling Term A Loans of the same Type, in Sterling, and having the same Interest Period made by each of the Term A Lenders on the First Amendment Effective Date.

“Sterling Term A Loan” means the term loans advanced by the Term A Lenders to the Borrower in Sterling on the First Amendment Effective Date in the aggregate amount of £92,586,469.15.

“Sterling Term A Note” means a promissory note made by the Borrower in favor of a Term A Lender evidencing the Sterling Term A Loan made by such Term A Lender, substantially in the form of Exhibit C-3.

“Sterling Term B-1 Lender” means any Lender that holds Sterling Term B-1 Loans at such time.

“Sterling Term B-1 Loan” has the meaning specified in Section 2.01(a)(ii).

“Subsidiary” of a Person means a corporation, partnership, joint venture, limited liability company or other business entity of which a majority of the shares of securities or other interests having ordinary voting power for the election of directors or other governing body (other than securities or interests having such power only by reason of the happening of a contingency) are at the time beneficially owned, or the management of which is otherwise controlled, directly, or indirectly through one or more intermediaries, or both, by such Person. Unless otherwise specified, all references herein to a “Subsidiary” or to “Subsidiaries” shall refer to a Subsidiary or Subsidiaries of Equinix.

“Swap Contract” means (a) any and all rate swap transactions, basis swaps, credit derivative transactions, forward rate transactions, commodity swaps, commodity options, forward commodity contracts, equity or equity index swaps or options, bond or bond price or bond index swaps or options or forward bond or forward bond price or forward bond index transactions, interest rate options, forward foreign exchange transactions, cap transactions, floor transactions, collar transactions, currency swap transactions, cross-currency rate swap transactions, currency options, spot contracts, or any other similar transactions or any combination of any of the foregoing (including any options to enter into any of the foregoing), whether or not any such transaction is governed by or subject to any master agreement, and (b) any and all transactions of any kind, and the related confirmations, which are subject to the terms and conditions of, or governed by, any form of master agreement published by the International Swaps and Derivatives Association, Inc., any International Foreign Exchange Master Agreement, or any other master agreement (any such master agreement, together with any related schedules, a “Master Agreement”), including any such obligations or liabilities under any Master Agreement.

“Swap Obligations” means with respect to any Guarantor any obligation to pay or perform under any agreement, contract or transaction that constitutes a “swap” within the meaning of Section 1a(47) of the Commodity Exchange Act.

“Swap Termination Value” means, in respect of any one or more Swap Contracts, after taking into account the effect of any legally enforceable netting agreement relating to such Swap Contracts, (a) for any date on or after the date such Swap Contracts have been closed out and termination value(s) determined in accordance therewith, such termination value(s), and (b) for any date prior to the date referenced in clause (a), the amount(s) determined as the mark-to-market value(s) for such Swap Contracts, as determined based upon one or more mid-market or other readily available quotations provided by any recognized dealer in such Swap Contracts (which may include a Lender or any Affiliate of a Lender).

“Swiss Francs” or “CHF” means the lawful currency of the Swiss Confederation.

“Synthetic Lease Obligation” means the monetary obligation of a Person under (a) a so-called synthetic, off-balance sheet or tax retention lease, or (b) an agreement for the use or possession of property creating obligations that do not appear on the balance sheet of such Person but which, upon the insolvency or bankruptcy of such Person, would be characterized as the indebtedness of such Person (without regard to accounting treatment).

“TARGET2” means the Trans-European Automated Real-time Gross Settlement Express Transfer payment system, which utilizes a single shared platform and which was launched on November 19, 2007.

“TARGET Day” means any day on which TARGET2 (or, if such payment system ceases to be operative, such other payment system, if any, determined by the Administrative Agent to be a suitable replacement) is open for the settlement of payments in Euro.

“Taxes” means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), and other similar assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

“Telecity Transaction” means the Borrower’s proposed acquisition of 100% of the issued and outstanding Equity Interests of Telecity Group plc.

“Term A Borrowing” means a CHF Term A Borrowing, a Euro Term A Borrowing, a Sterling Term A Borrowing or a Yen Term A Borrowing, as applicable.

“Term A Facility” means, at any time, the aggregate principal amount of the Term A Loans of all Term A Lenders outstanding at such time.

“Term A Lender” means any Lender that holds Term A Loans.

“Term A Loan” means a CHF Term A Loan, a Euro Term A Loan, a Sterling Term A Loan or a Yen Term A Loan, as applicable.

“Term A Maturity Date” means (a) December 17, 2019 and (b) if such maturity date is extended pursuant to Section 2.16, solely as to each Term A Lender agreeing to extend such maturity date, such extended maturity date as determined pursuant to such Section; provided, however, that if such date is not a Business Day, the Term A Maturity Date shall be the immediately preceding Business Day.

“Term A Note” means a CHF Term A Note, a Euro Term A Note, a Sterling Term A Note or a Yen Term A Note, as applicable.

“Term B Facility” means the Term B-1 Facility and the Term B-2 Facility.

“Term B Lenders” means the Term B-1 Lenders and the Term B-2 Lenders.

“Term B Loans” means the Term B-1 Loans and the Term B-2 Loans.

“Term B-1 Borrowing” means a borrowing consisting of simultaneous Term B-1 Loans of the same Type and having the same Interest Period made by each of the Term B-1 Lenders pursuant to Section 2.01(a)(ii).

“Term B-1 Facility” means, at any time, the aggregate principal amount of the Term B-1 Loans of all Term B-1 Lenders outstanding at such time.

“Term B-1 Lender” means a Sterling Term B-1 Lender or a Dollar Term B-1 Lender, as applicable.

“Term B-1 Loan” has the meaning specified in Section 2.01(a)(ii).

“Term B-1 Maturity Date” means (a) January 8, 2023 and (b) if such maturity date is extended pursuant to Section 2.16, solely as to each Term B-1 Lender agreeing to extend such maturity date, such extended maturity date as determined pursuant to such Section; provided, however, that if such date is not a Business Day, the Term B-1 Maturity Date shall be the immediately preceding Business Day.

“Term B-1 Note” means a promissory note made by the Borrower in favor of a Term B-1 Lender, evidencing Term B-1 Loans made by such Term B-1 Lender, substantially in the form of Exhibit C-5.

“Term B-2 Borrowing” means a borrowing consisting of simultaneous Term B-2 Loans of the same Type and having the same Interest Period made by each of the Term B-2 Lenders pursuant to Section 2.01(a)(iii).

“Term B-2 Commitments” means as to each Term B-2 Lender, its obligation to make a Term B-2 Loan to the Borrower pursuant to Section 2.01(a)(iii) in an aggregate principal amount at any one time outstanding not to exceed the amount set forth opposite such Term B-2 Lender’s name on Schedule 2.01 under the caption “Term B-2 Commitment” or opposite such caption in the Assignment and Assumption pursuant to which such Term B-2 Lender becomes a party hereto, as applicable, as such amount may be adjusted from time to time in accordance with this Agreement. As of the Term B-2 Effective Date, the aggregate amount of the Term B-2 Commitments shall not exceed €1,000,000,000.

“Term B-2 Effective Date” means the date upon which the conditions to effectiveness set forth in Section 3.04 of the Third Amendment are satisfied.

“Term B-2 Facility” means, at any time, the aggregate principal amount of the Term B-2 Loans of all Term B-2 Lenders outstanding at such time.

“Term B-2 Facility Pricing Notice” has the meaning specified in Section 3.04 of the Third Amendment.

~~“Term B-2 Funding Date” means the date on which the Term B-2 Lenders make the Term B-2 Loans.~~

“Term B-2 Lender” means any Lender that holds Term B-2 Loans at such time.

“Term B-2 Loan” has the meaning specified in Section 2.01(a)(iii).

“Term B-2 Maturity Date” means (a) ~~the seven year anniversary of the Term B-2 Funding Date~~ **January 6, 2024** and (b) if such maturity date is extended pursuant to Section 2.16, solely as to each Term B-2 Lender agreeing to extend such maturity date, such extended maturity date as determined pursuant to such Section; provided, however, that if such date is not a Business Day, the Term B-2 Maturity Date shall be the immediately preceding Business Day.

“Term B-2 Note” means a promissory note made by the Borrower in favor of a Term B-2 Lender, evidencing Term B-2 Loans made by such Term B-2 Lender, substantially in the form of Exhibit C-6.

“Term Facilities” means the Term A Facility and each Term B Facility.

“Term Lender” means a Term A Lender, a Term B-1 Lender or a Term B-2 Lender, as applicable.

“Term Loan” means a Term A Loan, a Term B-1 Loan or a Term B-2 Loan, as applicable.

“Third Amendment” means the Third Amendment to Credit Agreement and Second Amendment to Pledge and Security Agreement, dated as of December 22, 2016 among the Borrower, the Guarantors, the Lenders party thereto, and the Administrative Agent.

“Third Amendment Effective Date” has the meaning specified in the Third Amendment.

“Third Amendment Repricing Effective Date” means (a) with respect to any of the Dollar Term B-1 Loans, the date (if any) on which the conditions set forth in Section 3.02 of the Third Amendment have been satisfied with respect to such Dollar Term B-1 Loans and (b) with respect to any of the Sterling Term B-1 Loans, the date (if any) on which the conditions set forth in Section 3.03 of the Third Amendment have been satisfied with respect to such Sterling Term B-1 Loans.

“Total Credit Exposure” means, as to any Lender at any time, the sum of the unused Commitments, the outstanding Term Loans and Revolving Credit Exposure of such Lender at such time.

“Total Outstandings” means the aggregate Outstanding Amount of all Loans and all L/C Obligations.

“Total Revolving Outstandings” means the aggregate Outstanding Amount of all Revolving Loans and L/C Obligations.

“Transaction” or “Transactions” means the Telecity Transaction and/or the Bit-isle Transaction, as applicable.

“Transfer” has the meaning specified in Section 7.05.

“Type” means with respect to a Loan, its character as a Base Rate Loan or a Eurocurrency Rate Loan.

“United States” and “U.S.” mean the United States of America.

“Unreimbursed Amount” has the meaning specified in Section 2.03(c)(i).

“Unrestricted Subsidiary” means any Subsidiary of the Borrower designated as such on Schedule 6.16 hereto as of the Closing Date, or after the Closing Date pursuant to Section 6.16.

“U.S. Person” means any Person that is a “United States Person” as defined in Section 7701(a)(30) of the Code.

“U.S. Tax Compliance Certificate” has the meaning specified in Section 3.01(e)(ii)(B)(III).

“Weighted Average Life to Maturity” means, on any date and with respect to the aggregate amount of the applicable Term Loans, an amount equal to (a) the scheduled repayments of such Term Loans to be made after such date, multiplied by the number of days from such date to the respective dates of such scheduled repayments divided by (b) the aggregate principal amount of such Term Loans.

“Withholding Agent” means any Loan Party and the Administrative Agent.

“Write-Down and Conversion Powers” means, with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule.

“Yen” and “¥” mean the lawful currency of Japan.

“Yen Term A Borrowing” means a borrowing consisting of simultaneous Yen Term A Loans of the same Type, in Yen, and having the same Interest Period made by each of the Term A Lenders on the First Amendment Effective Date.

“Yen Term A Loan” means the term loans advanced by the Term A Lenders to the Borrower in Yen on the First Amendment Effective Date in the aggregate amount of ¥ 11,924,000,000.

“Yen Term A Note” means a promissory note made by the Borrower in favor of a Term A Lender evidencing the Yen Term A Loan made by such Term A Lender, substantially in the form of Exhibit C-4.

“Yield Differential” has the meaning set forth in Section 2.13(e).

1.02. Other Interpretive Provisions. With reference to this Agreement and each other Loan Document, unless otherwise specified herein or in such other Loan Document:

(a) The definitions of terms herein shall apply equally to the singular and plural forms of the terms defined. Whenever the context may require, any pronoun shall include the corresponding masculine, feminine and neuter forms. The words “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.” The word “will” shall be construed to have the same meaning and effect as the word “shall.” Unless the context requires otherwise, (i) any definition of or reference to any agreement, instrument or other document (including any Organization Document) shall be construed as referring to such agreement, instrument or other document as from time to time amended, supplemented or otherwise modified (subject to any restrictions on such amendments, supplements or modifications set forth herein or in any other Loan Document), (ii) any reference herein to any Person shall be construed to include such Person’s successors and assigns, (iii) the words “hereto,” “herein,” “hereof” and “hereunder,” and words of similar import when used in any Loan Document, shall be construed to refer to such Loan Document in its entirety and not to any particular provision thereof, (iv) all references in a Loan Document to Articles, Sections, Exhibits and Schedules shall be construed to refer to Articles and Sections of, and Exhibits and Schedules to, the Loan Document in which such references appear, (v) any reference to any law shall include all statutory and regulatory provisions consolidating, amending, replacing or interpreting such law and any reference to any law or regulation shall, unless otherwise specified, refer to such law or regulation as amended, modified or supplemented from time to time, and (vi) the words “asset” and “property” shall be construed to have the same meaning and effect and to refer to any and all tangible and intangible assets and properties, including cash, securities, accounts and contract rights.

(b) In the computation of periods of time from a specified date to a later specified date, the word “from” means “from and including,” the words “to” and “until” each mean “to but excluding,” and the word “through” means “to and including.”

Section headings herein and in the other Loan Documents are included for convenience of reference only and shall not affect the interpretation of this Agreement or any other Loan Document.

1.03. Accounting Terms.

(a) **Generally.** All accounting terms not specifically or completely defined herein shall be construed in conformity with, and all financial data (including financial statements, financial ratios and other financial calculations) required to be submitted pursuant to this Agreement shall be prepared in conformity with, GAAP applied on a consistent basis, as in effect from time to time, applied in a manner consistent with that used in preparing the Audited Financial Statements, except as otherwise specifically prescribed herein. Notwithstanding the foregoing, for purposes of determining compliance with any covenant (including the computation of any financial covenant) contained herein, Indebtedness of the Borrower and its Subsidiaries shall be deemed to be carried at 100% of the outstanding principal amount thereof, and the effects of FASB ASC 825 on financial liabilities shall be disregarded.

(b) **Changes in GAAP.** If at any time any change in GAAP would affect the computation of any financial ratio or requirement set forth in any Loan Document, and either the Borrower or the Required Lenders shall so request, the Administrative Agent, the Lenders and the Borrower shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); provided that, until so amended, (i) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (ii) the Borrower shall provide to the Administrative Agent and the Lenders financial statements and other documents required under this Agreement or as reasonably requested hereunder setting forth a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP.

1.04. Rounding. Any financial ratios required to be maintained by the Borrower, their Subsidiaries or any Loan Party pursuant to this Agreement shall be calculated by dividing the appropriate component by the other component, carrying the result to one place more than the number of places by which such ratio is expressed herein and rounding the result up or down to the nearest number (with a rounding-up if there is no nearest number).

1.05. Exchange Rates; Currency Equivalents. (a) The Administrative Agent or the L/C Issuer, as applicable, shall determine the Spot Rates as of each Revaluation Date to be used for calculating Dollar Equivalent amounts of Credit Extensions and L/C Obligations denominated in Alternative Currencies. Such Spot Rates shall become effective as of such Revaluation Date and shall be the Spot Rates employed in converting any amounts between the applicable currencies until the next Revaluation Date to occur. Except for purposes of financial statements delivered by Loan Parties hereunder or calculating financial covenants hereunder or except as otherwise provided herein, the applicable amount of any currency (other than Dollars) for purposes of the Loan Documents shall be such Dollar Equivalent amount as so determined by the Administrative Agent or the L/C Issuer, as applicable.

(b) Wherever in this Agreement in connection with a Borrowing, conversion, continuation or prepayment of a Eurocurrency Rate Loan or the issuance, amendment or extension of a Letter of Credit, an amount, such as a Commitment or a required minimum or multiple amount, is expressed in Dollars, but such Borrowing, Eurocurrency Rate Loan or Letter of Credit is denominated in an Alternative Currency, such amount shall be the relevant Alternative Currency Equivalent of such Dollar amount (rounded to the nearest unit of such Alternative Currency, with 0.5 of a unit being rounded upward), as determined by the Administrative Agent or the L/C Issuer, as the case may be.

(c) The Administrative Agent does not warrant, nor accept responsibility, nor shall the Administrative Agent have any liability with respect to the administration, submission or any other matter related to the rates in the definition of "Eurocurrency Rate" or with respect to any comparable or successor rate thereto.

1.06. Additional Alternative Currencies.

(a) The Borrower may from time to time request that Eurocurrency Rate Revolving Loans be made and/or Letters of Credit be issued in a currency other than those specifically listed in the definition of "Alternative Currency;" provided that such requested currency is a lawful currency (other than Dollars) that is readily available and freely transferable and convertible into Dollars. In the case of any such request with respect to the making of Eurocurrency Rate Revolving Loans, such request shall be subject to the approval of the Administrative Agent and the Revolving Lenders; and in the case of any such request with respect to the issuance of Letters of Credit, such request shall be subject to the approval of the Administrative Agent and the L/C Issuer.

(b) Any such request shall be made to the Administrative Agent not later than 11:00 a.m., 10 Business Days prior to the date of the desired Credit Extension (or such other time or date as may be agreed by the Administrative Agent and, in the case of any such request pertaining to Letters of Credit, the L/C Issuer, in its or their sole discretion). In the case of any such request pertaining to Eurocurrency Rate Revolving Loans, the Administrative Agent shall promptly notify each Revolving Lender thereof; and in the case of any such request pertaining to Letters of Credit, the Administrative Agent shall promptly notify the L/C Issuer thereof. Each Revolving Lender (in the case of any such request pertaining to Eurocurrency Rate Revolving Loans) or the L/C Issuer (in the case of a request pertaining to Letters of Credit) shall notify the Administrative Agent, not later than 11:00 a.m., five Business Days after receipt of such request whether it consents, in its sole discretion, to the making of Eurocurrency Rate Revolving Loans or the issuance of Letters of Credit, as the case may be, in such requested currency.

(c) Any failure by a Revolving Lender or the L/C Issuer, as the case may be, to respond to such request within the time period specified in the preceding sentence shall be deemed to be a refusal by such Lender or the L/C Issuer, as the case may be, to permit Eurocurrency Rate Revolving Loans to be made or Letters of Credit to be issued in such requested currency. If the Administrative Agent and all the Revolving Lenders consent to making Eurocurrency Rate Revolving Loans in such requested currency, the Administrative Agent shall so notify the Borrower and such currency shall thereupon be deemed for all purposes to be an Alternative Currency hereunder for purposes of any Borrowings of Eurocurrency Rate Revolving Loans; and if the Administrative Agent and the L/C Issuer consent to the issuance of Letters of Credit in such requested currency, the Administrative Agent shall so notify the Borrower and such currency shall thereupon be deemed for all purposes to be an Alternative Currency hereunder for purposes of any Letter of Credit issuances. If the Administrative Agent shall fail to obtain consent to any request for an additional currency under this Section 1.06, the Administrative Agent shall promptly so notify the Borrower.

1.07. Change of Currency.

(a) Each obligation of the Borrower to make a payment denominated in the national currency unit of any member state of the European Union that adopts the Euro as its lawful currency after the date hereof shall be redenominated into Euro at the time of such adoption (in accordance with the EMU Legislation). If, in relation to the currency of any such member state, the basis of accrual of interest expressed in this Agreement in respect of that currency shall be inconsistent with any convention or practice in the London interbank market for the basis of accrual of interest in respect of the Euro, such expressed basis shall be replaced by such convention or practice with effect from the date on which such member state adopts the Euro as its lawful currency; provided that if any Borrowing in the currency of such member state is outstanding immediately prior to such date, such replacement shall take effect, with respect to such Borrowing, at the end of the then current Interest Period.

(b) Each provision of this Agreement shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be appropriate to reflect the adoption of the Euro by any member state of the European Union and any relevant market conventions or practices relating to the Euro.

(c) Each provision of this Agreement also shall be subject to such reasonable changes of construction as the Administrative Agent may from time to time specify to be appropriate to reflect a change in currency of any other country and any relevant market conventions or practices relating to the change in currency.

1.08. Times of Day. Unless otherwise specified, all references herein to times of day shall be references to Pacific time (daylight or standard, as applicable).

1.09. Letter of Credit Amounts. Unless otherwise specified herein, the amount of a Letter of Credit at any time shall be deemed to be the Dollar Equivalent of the stated amount of such Letter of Credit in effect at such time; provided, however, that with respect to any Letter of Credit that, by its terms or the terms of any Issuer Document related thereto, provides for one or more automatic increases in the stated amount thereof, the amount of such Letter of Credit shall be deemed to be the Dollar Equivalent of the maximum stated amount of such Letter of Credit after giving effect to all such increases, whether or not such maximum stated amount is in effect at such time.

ARTICLE II.
THE COMMITMENTS AND CREDIT EXTENSIONS

2.01. Loans.

(a) The Term Loans.

(i) Subject to the terms and conditions set forth herein, the Term A Lenders made loans to the Borrower, in Dollars, on the Closing Date, in an aggregate amount equal to \$500,000,000 (the “Initial Term Loan”). On the First Amendment Effective Date, the Initial Term Loan was repaid in full in accordance with the terms of the First Amendment and the Term A Lenders made the CHF Term A Loans, Euro Term A Loans, Sterling Term A Loans and Yen Term A Loans to the Borrower. As of the Second Amendment Effective Date, the Outstanding Amount of the CHF Term A Loans, Euro Term A Loans, Sterling Term A Loans and Yen Term A Loans, respectively, is set forth on Schedule 2.01. All amounts borrowed in respect of the Term A Loans and repaid or prepaid may not be reborrowed. All Term A Loans shall be Eurocurrency Rate Loans, as further provided herein.

(ii) Subject to the terms and conditions set forth herein and in Section 3 of the Second Amendment, the Dollar Term B-1 Lenders made loans to the Borrower, in Dollars, on January 8, 2016, in an aggregate amount equal to \$250,000,000 (collectively, and as such loans may be refinanced in connection with the Fourth Amendment, the “Dollar Term B-1 Loans”), and the Sterling Term B-1 Lenders made loans to the Borrower, in Sterling, on January 8, 2016, in an aggregate amount equal to £300,000,000 (collectively, and as such loans may be refinanced in connection with the Fourth Amendment, the “Sterling Term B-1 Loans” and together with the Dollar Term B-1 Loans, the “Term B-1 Loans” and each, a “Term B-1 Loan”); it being understood that, notwithstanding anything to the contrary contained herein (and without affecting any other provisions hereof), original issue discount applied to the Term B-1 Loans such that the Term B-1 Lenders funded the Term B-1 Loans to the Borrower in an amount equal to the percentage of the principal amount of such Term B-1 Loans set forth in the Engagement Letter. The full principal amount of the Term B-1 Loans was deemed to be outstanding as of January 8, 2016 and the Borrower shall be obligated to repay 100% of the principal amount of the Term B-1 Loans as provided hereunder and all calculations of interest and fees calculated by reference to the principal amount thereof will be made on the basis of the full stated amount thereof. As of the Third Amendment Effective Date, the Outstanding Amount of the Dollar Term B-1 Loans and Sterling Term B-1 Loans, respectively, is \$248,750,000 and £298,500,000. Amounts borrowed under this Section 2.01(a)(ii) and repaid or prepaid may not be reborrowed. All Sterling Term B-1 Loans shall be Eurocurrency Rate Loans, as further provided herein.

(iii) Subject to the terms and conditions set forth herein and in Section 3 of the Third Amendment, each Term B-2 Lender severally agrees to make loans to the Borrower, in Euro, on the date that is three (3) Business Days after the Term B-2 Effective Date (it being understood that all such loans shall be made in a single drawdown on such date), in an aggregate amount not to exceed such Term B-2 Lender’s Applicable Percentage of the aggregate amount of the Term B-2 Commitments at such time (collectively, and as such loans may be refinanced in connection with the Fourth Amendment, the “Term B-2 Loans” and each, a “Term B-2 Loan”). The Term B-2 Borrowing shall consist of Term B-2 Loans made simultaneously by the Term B-2 Lenders, in each case in accordance with their respective Applicable Percentages of the aggregate amount of the Term B-2 Commitments at such time. Amounts borrowed under this Section 2.01(a)(iii) and repaid or prepaid may not be reborrowed. All Term B-2 Loans shall be Eurocurrency Rate Loans, as further provided herein.

(b) The Revolving Borrowings. Subject to the terms and conditions set forth herein, each Revolving Lender severally agrees to make revolving loans (each such loan, a “Revolving Loan”) to the Borrower in Dollars or in one or more Alternative Currencies from time to time, on any Business Day during the Availability Period, in an aggregate amount not to exceed at any time outstanding the amount of such Lender’s Revolving Commitment; provided, however, that after giving effect to any Revolving Borrowing, (i) the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments, and (ii) the Outstanding Amount of the Revolving Loans of any Lender, plus such Lender’s Applicable Percentage of the Outstanding Amount of all L/C Obligations shall not exceed such Lender’s Commitment. Within the limits of each Revolving Lender’s Revolving Commitment, and subject to the other terms and conditions hereof, the Borrower may borrow under this Section 2.01(b), prepay under Section 2.04, and reborrow under this Section 2.01(b). Revolving Loans may be Base Rate Loans or Eurocurrency Rate Loans, as further provided herein.

2.02. Borrowings, Conversions and Continuations of Loans.

(a) Each Borrowing, each conversion of Loans from one Type to the other, and each continuation of Eurocurrency Rate Loans shall be made upon the Borrower’s irrevocable notice to the Administrative Agent, which may be given by (A) telephone or (B) a Loan Notice; provided that any telephonic notice must be confirmed immediately by delivery to the Administrative Agent of a Loan Notice. Each such notice must be received by the Administrative Agent not later than 11:00 a.m. (or in the case of clause (iii) below, not later than 10:00 a.m.): (i) three Business Days prior to the requested date of any Borrowing of, conversion to or continuation of Eurocurrency Rate Loans denominated in Dollars or of any conversion of Eurocurrency Rate Loans denominated in Dollars to Base Rate Loans, (ii) four Business Days (or five Business Days in the case of a Special Notice Currency) prior to the requested date of any Borrowing or continuation of Eurocurrency Rate Loans denominated in Alternative Currencies, (iii) on the requested date of any Borrowing of Base Rate Loans; provided, however, that if the Borrower wishes to request Eurocurrency Rate Loans having an Interest Period other than one, two, three or six months in duration as provided in the definition of “Interest Period,” the applicable notice must be received by the Administrative Agent not later than 11:00 a.m. (x) four Business Days prior to the requested date of such Borrowing, conversion or continuation of Eurocurrency Rate Loans denominated in Dollars, or (y) five Business Days (or six Business days in the case of a Special Notice Currency) prior to the requested date of such Borrowing, conversion or continuation of Eurocurrency Rate Loans denominated in Alternative Currencies, whereupon the Administrative Agent shall give prompt notice to the Appropriate Lenders of such request and determine whether the requested Interest Period is acceptable to all of them. In the case of a request for an Interest Period other than one, two, three or six months in duration, not later than 11:00 a.m. (A) three Business Days before the requested date of such Borrowing, conversion or continuation of Eurocurrency Rate Loans denominated in Dollars, or (B) four Business Days (or five Business days in the case of a Special Notice Currency) prior to the requested date of such Borrowing, conversion or continuation of Eurocurrency Rate Loans denominated in Alternative Currencies, the Administrative Agent shall notify the Borrower (which notice may be by telephone) whether or not the requested Interest Period has been consented to by all the Appropriate Lenders (and, if any of the Lenders objects to the requested duration of such Interest Period, the duration of the Interest Period for such Borrowing shall be one, two, three or six months, as specified by the Borrower in the applicable Loan Notice as the desired alternative to the requested duration of such Interest Period (or one month, if no desired alternative is specified by the Borrower in the applicable Loan Notice)). Each Borrowing of, conversion to or continuation of Eurocurrency Rate Loans shall be in a principal amount of \$5,000,000 or a whole multiple of \$1,000,000 in excess thereof. Except as provided in Section 2.03(c), each Borrowing of or conversion to Base Rate Loans shall be in a principal amount of \$500,000 or a whole multiple of \$100,000 in excess thereof. Each Loan Notice (whether telephonic or written) shall specify (1) the applicable Facility, (2) whether the Borrower is requesting a Borrowing, a conversion of Loans from one Type to the other, or a continuation of Eurocurrency Rate Loans, (3) the requested date of the Borrowing, conversion or continuation, as the case may be (which shall be a Business Day), (4) the principal amount of Loans to be borrowed, converted or continued, (5) the Type of Loans to be borrowed or to which existing Loans are to be converted, (6) if applicable, the duration of the Interest Period with respect thereto and (7) the currency of such Loans to be borrowed. If the Borrower fails to specify a currency in a Loan Notice requesting a Borrowing, then the Loans so requested shall be made in Dollars. If the Borrower fails to specify a Type of Loan in a Loan Notice, then the applicable Loans shall be made as Base Rate Loans in Dollars. If the Borrower fails to give a timely Loan Notice requesting a continuation or conversion of Eurocurrency Rate Loans, such Eurocurrency Rate Loans shall be automatically continued for an Interest Period of one month. If the Borrower requests a Borrowing of, conversion to, or continuation of Eurocurrency Rate Loans in any such Loan Notice, but fails to specify an Interest Period, it will be deemed to have specified an Interest Period of one month. No Loan may be converted into or continued as a Loan denominated in a different currency, but instead must be prepaid or repaid in the original currency of such Loan, and, in the case of Revolving Loans only, may thereafter be reborrowed in the other currency.

(b) Following receipt of a Loan Notice for a Facility, the Administrative Agent shall promptly notify each Appropriate Lender of the amount (and currency) of its Applicable Percentage of the applicable Term Loan or Revolving Loans, and if no timely Loan Notice of a continuation of Eurocurrency Rate Loans is provided by the Borrower, the Administrative Agent shall notify each Appropriate Lender of the details of any automatic continuation of such Eurocurrency Rate Loans, in each case as described in the preceding subsection. In the case of a Borrowing, each Appropriate Lender shall make the amount of its applicable Loan available to the Administrative Agent in Same Day Funds at the Administrative Agent's Office for the applicable currency not later than 1:00 p.m., in the case of any Loan denominated in Dollars, and not later than the Applicable Time specified by the Administrative Agent in the case of any Loan denominated in an Alternative Currency, in each case on the Business Day specified in the applicable Loan Notice. Upon satisfaction of the applicable conditions set forth in Section 4.02 (and, if such Borrowing is the initial Credit Extension, Section 4.01), the Administrative Agent shall make all funds so received available to the Borrower in like funds as received by the Administrative Agent either by (i) crediting the account of the Borrower on the books of Bank of America with the amount of such funds or (ii) wire transfer of such funds, in each case in accordance with instructions provided to (and reasonably acceptable to) the Administrative Agent by the Borrower; provided, however, that if, on the date a Loan Notice with respect to a Revolving Borrowing denominated in Dollars is given by the Borrower, there are L/C Borrowings outstanding, then the proceeds of such Borrowing, first, shall be applied to the payment in full of any such L/C Borrowings, and second, shall be made available to the Borrower as provided above.

(c) Except as otherwise provided herein, a Eurocurrency Rate Loan may be continued or converted only on the last day of an Interest Period for such Eurocurrency Rate Loan. During the existence of a Default, no Loans may be requested as, or (i) in the case of Loans in Dollars, converted to or continued as Eurocurrency Rate Loans without the consent of the Required Lenders or (ii) in the case of Loans in Alternative Currencies, converted or continued as Eurocurrency Rate Loans with an Interest Period of more than one month if the Required Lenders so notify the Borrower. During the existence of a Default, any Loans that are continued or converted to Eurocurrency Rate Loans as provided in this clause (c), unless the Required Lenders shall otherwise consent, shall have a one month Interest Period.

(d) The Administrative Agent shall promptly notify the Borrower and the Appropriate Lenders of the interest rate applicable to any Interest Period for Eurocurrency Rate Loans upon determination of such interest rate. At any time that Base Rate Loans are outstanding, the Administrative Agent shall notify the Borrower and the Appropriate Lenders of any change in Bank of America's prime rate used in determining the Base Rate promptly following the public announcement of such change.

(e) After giving effect to all Term A Borrowings, all conversions of Term A Loans from one Type to the other, and all continuations of Term A Loans as the same Type, there shall not be more than ten Interest Periods in effect in respect of the Term A Facility. After giving effect to all Term B-1 Borrowings, all conversions of Term B-1 Loans from one Type to the other, and all continuations of Term B-1 Loans as the same Type, there shall not be more than six Interest Periods in effect in respect of the Term B-1 Facility. After giving effect to all Term B-2 Borrowings, all conversions of Term B-2 Loans from one Type to the other, and all continuations of Term B-2 Loans as the same Type, there shall not be more than six Interest Periods in effect in respect of the Term B-2 Facility. After giving effect to all Revolving Borrowings, all conversions of Revolving Loans from one Type to the other, and all continuations of Revolving Loans as the same Type, there shall not be more than ten Interest Periods in effect in respect of the Revolving Facility.

2.03. Letters of Credit.

(a) The Letter of Credit Commitment

(i) Subject to the terms and conditions set forth herein, (A) the L/C Issuer agrees, in reliance upon the agreements of the Revolving Lenders set forth in this Section 2.03, (1) from time to time on any Business Day during the period from the Closing Date until the Letter of Credit Expiration Date, to issue Letters of Credit denominated in Dollars or in one or more Alternative Currencies for the account of the Borrower or its Subsidiaries, and to amend or extend Letters of Credit previously issued by it, in accordance with Section 2.03(b) below, and (2) to honor drawings under the Letters of Credit; and (B) the Revolving Lenders severally agree to participate in Letters of Credit issued for the account of the Borrower or its Subsidiaries and any drawings thereunder; provided that after giving effect to any L/C Credit Extension with respect to any Letter of Credit, (w) the Total Revolving Outstandings shall not exceed the Aggregate Revolving Commitments, (x) the Outstanding Amount of the Revolving Loans of any Revolving Lender, plus such Revolving Lender's Applicable Percentage of the Outstanding Amount of all L/C Obligations, shall not exceed such Revolving Lender's Revolving Commitment, and (y) the Outstanding Amount of the L/C Obligations shall not exceed the Letter of Credit Sublimit. Each request by the Borrower for the issuance or amendment of a Letter of Credit shall be deemed to be a representation by the Borrower that the L/C Credit Extension so requested complies with the conditions set forth in the proviso to the preceding sentence. Within the foregoing limits, and subject to the terms and conditions hereof, the Borrower's ability to obtain Letters of Credit shall be fully revolving, and accordingly the Borrower may, during the foregoing period, obtain Letters of Credit to replace Letters of Credit that have expired or that have been drawn upon and reimbursed. All Existing Letters of Credit shall be deemed to have been issued pursuant hereto, and from and after the Closing Date shall be subject to and governed by the terms and conditions hereof.

(ii) The L/C Issuer shall not issue any Letter of Credit, if:

(A) subject to Section 2.03(b)(iii), the expiry date of the requested Letter of Credit would occur more than twelve months after the date of issuance or last extension, unless the Required Revolving Lenders have approved such expiry date; or

(B) the expiry date of the requested Letter of Credit would occur after the Letter of Credit Expiration Date, unless all the Revolving Lenders have approved such expiry date.

(iii) The L/C Issuer shall not be under any obligation to issue any Letter of Credit if:

(A) any order, judgment or decree of any Governmental Authority or arbitrator shall by its terms purport to enjoin or restrain the L/C Issuer from issuing the Letter of Credit, or any Law applicable to the L/C Issuer or any request or directive (whether or not having the force of law) from any Governmental Authority with jurisdiction over the L/C Issuer shall prohibit, or request that the L/C Issuer refrain from, the issuance of letters of credit generally or the Letter of Credit in particular or shall impose upon the L/C Issuer with respect to the Letter of Credit any restriction, reserve or capital requirement (for which the L/C Issuer is not otherwise compensated hereunder) not in effect on the Closing Date, or shall impose upon the L/C Issuer any unreimbursed loss, cost or expense which was not applicable on the Closing Date and which the L/C Issuer in good faith deems material to it;

(B) the issuance of the Letter of Credit would violate one or more policies of the L/C Issuer applicable to letters of credit generally;

(C) except as otherwise agreed by the Administrative Agent and the L/C Issuer, the Letter of Credit is in an initial stated amount less than \$25,000, in the case of a standby Letter of Credit;

(D) except as otherwise agreed by the Administrative Agent and the L/C Issuer, the Letter of Credit is to be denominated in a currency other than Dollars or an Alternative Currency;

(E) any Revolving Lender is at that time a Defaulting Lender, unless the L/C Issuer has entered into arrangements, including the delivery of Cash Collateral, satisfactory to the L/C Issuer (in its sole discretion) with the Borrower or such Lender to eliminate the L/C Issuer's actual or potential Fronting Exposure (after giving effect to [Section 2.15\(a\)\(iv\)](#)) with respect to the Defaulting Lender arising from either the Letter of Credit then proposed to be issued or that Letter of Credit and all other L/C Obligations as to which the L/C Issuer has actual or potential Fronting Exposure, as it may elect in its sole discretion; or

(F) the Letter of Credit contains any provisions for automatic reinstatement of the stated amount after any drawing thereunder.

(iv) The L/C Issuer shall not amend any Letter of Credit if the L/C Issuer would not be permitted at such time to issue the Letter of Credit in its amended form under the terms hereof.

(v) The L/C Issuer shall be under no obligation to amend any Letter of Credit if (A) the L/C Issuer would have no obligation at such time to issue the Letter of Credit in its amended form under the terms hereof, or (B) the beneficiary of the Letter of Credit does not accept the proposed amendment to the Letter of Credit.

(vi) The L/C Issuer shall act on behalf of the Revolving Lenders with respect to any Letters of Credit issued by it and the documents associated therewith, and the L/C Issuer shall have all of the benefits and immunities (A) provided to the Administrative Agent in [Article IX](#) with respect to any acts taken or omissions suffered by the L/C Issuer in connection with Letters of Credit issued by it or proposed to be issued by it and Issuer Documents pertaining to such Letters of Credit as fully as if the term "Administrative Agent" as used in Article IX included the L/C Issuer with respect to such acts or omissions, and (B) as additionally provided herein with respect to the L/C Issuer.

(b) Procedures for Issuance and Amendment of Letters of Credit; Auto-Extension Letters of Credit

(i) Each Letter of Credit shall be issued or amended, as the case may be, upon the request of the Borrower delivered to the L/C Issuer (with a copy to the Administrative Agent) in the form of a Letter of Credit Application, appropriately completed and signed by a Responsible Officer of the Borrower. Such Letter of Credit Application may be sent by facsimile, by United States mail, by overnight courier, by electronic transmission using the system provided by the L/C Issuer, by personal delivery or by any other means acceptable to the L/C Issuer. Such Letter of Credit Application must be received by the L/C Issuer and the Administrative Agent not later than 11:00 a.m. at least two Business Days (or such later date and time as the Administrative Agent and the L/C Issuer may agree in a particular instance in their sole discretion) prior to the proposed issuance date or date of amendment, as the case may be. In the case of a request for an initial issuance of a Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to the L/C Issuer: (A) the proposed issuance date of the requested Letter of Credit (which shall be a Business Day); (B) the amount and currency thereof; (C) the expiry date thereof; (D) the name and address of the beneficiary thereof; (E) the documents to be presented by such beneficiary in case of any drawing thereunder; (F) the full text of any certificate to be presented by such beneficiary in case of any drawing thereunder; (G) the purpose and nature of the requested Letter of Credit; and (H) such other matters as the L/C Issuer may require. In the case of a request for an amendment of any outstanding Letter of Credit, such Letter of Credit Application shall specify in form and detail satisfactory to the L/C Issuer (A) the Letter of Credit to be amended; (B) the proposed date of amendment thereof (which shall be a Business Day); (C) the nature of the proposed amendment; and (D) such other matters as the L/C Issuer may require. Additionally, the Borrower shall furnish to the L/C Issuer and the Administrative Agent such other documents and information pertaining to such requested Letter of Credit issuance or amendment, including any Issuer Documents, as the L/C Issuer or the Administrative Agent may require.

(ii) Promptly after receipt of any Letter of Credit Application, the L/C Issuer will confirm with the Administrative Agent (by telephone or in writing) that the Administrative Agent has received a copy of such Letter of Credit Application from the Borrower and, if not, the L/C Issuer will provide the Administrative Agent with a copy thereof. Unless the L/C Issuer has received written notice from any Revolving Lender, the Administrative Agent or any Loan Party, at least one Business Day prior to the requested date of issuance or amendment of the applicable Letter of Credit, that one or more applicable conditions contained in Article IV shall not then be satisfied, then, subject to the terms and conditions hereof, the L/C Issuer shall, on the requested date, issue a Letter of Credit for the account of the Borrower or its applicable Subsidiary, as the case may be, or enter into the applicable amendment, as the case may be, in each case in accordance with the L/C Issuer's usual and customary business practices. Immediately upon the issuance of each Letter of Credit, each Revolving Lender shall be deemed to, and hereby irrevocably and unconditionally agrees to, purchase from the L/C Issuer a risk participation in such Letter of Credit in an amount equal to the product of such Lender's Applicable Percentage times the amount of such Letter of Credit.

(iii) If the Borrower so requests in any applicable Letter of Credit Application, the L/C Issuer may, in its sole discretion, agree to issue a Letter of Credit that has automatic extension provisions (each, an “Auto-Extension Letter of Credit”); provided that any such Auto-Extension Letter of Credit must permit the L/C Issuer to prevent any such extension at least once in each twelve-month period (commencing with the date of issuance of such Letter of Credit) by giving prior notice to the beneficiary thereof not later than a day (the “Non-Extension Notice Date”) in each such twelve-month period to be agreed upon at the time such Letter of Credit is issued. Unless otherwise directed by the L/C Issuer, the Borrower shall not be required to make a specific request to the L/C Issuer for any such extension. Once an Auto-Extension Letter of Credit has been issued, the Revolving Lenders shall be deemed to have authorized (but may not require) the L/C Issuer to permit the extension of such Letter of Credit at any time; provided, however, that the L/C Issuer shall not permit any such extension if (A) the L/C Issuer has determined that it would not be permitted, or would have no obligation, at such time to issue such Letter of Credit in its revised form (as extended) under the terms hereof (by reason of the provisions of clause (ii) or (iii) of Section 2.03(a) or otherwise), (B) it has received notice (which may be by telephone or in writing) on or before the day that is seven Business Days before the Non-Extension Notice Date (1) from the Administrative Agent that the Required Revolving Lenders have elected not to permit such extension or (2) from the Administrative Agent, any Revolving Lender, or the Borrower that one or more of the applicable conditions specified in Section 4.02 is not then satisfied, and in each such case directing the L/C Issuer not to permit such extension or (C) the expiry date of such extended Letter of Credit would be later than the Letter of Credit Expiration Date, and the Borrower has not Cash Collateralized the Outstanding Amount of the L/C Obligations as of such extension date in respect of such Letter of Credit.

(iv) Promptly after its delivery of any Letter of Credit or any amendment to a Letter of Credit to an advising bank with respect thereto or to the beneficiary thereof, the L/C Issuer will also deliver to the Borrower and the Administrative Agent a true and complete copy of such Letter of Credit or amendment.

(c) Drawings and Reimbursements; Funding of Participations.

(i) Upon receipt from the beneficiary of any Letter of Credit of any notice of a drawing under such Letter of Credit, the L/C Issuer shall notify the Borrower and the Administrative Agent thereof. Not later than 11:00 a.m. on the date of any payment by the L/C Issuer under a Letter of Credit (each such date, an “Honor Date”), the Borrower shall reimburse the L/C Issuer through the Administrative Agent in an amount equal to the amount of such drawing; provided, however, that in the case of a Letter of Credit denominated in an Alternative Currency, the Borrower shall reimburse the L/C Issuer in Dollars, and the L/C Issuer shall notify the Borrower of the Dollar Equivalent of the amount of the drawing promptly following the determination thereof. If the Borrower fails to so reimburse the L/C Issuer by such time, the Administrative Agent shall promptly notify each Revolving Lender of the Honor Date, the amount of the unreimbursed drawing (expressed in Dollars in the amount of the Dollar Equivalent thereof in the case of a Letter of Credit denominated in an Alternative Currency) (the “Unreimbursed Amount”), and the amount of such Lender’s Applicable Percentage thereof. In such event, the Borrower shall be deemed to have requested a Revolving Borrowing of Base Rate Loans to be disbursed on the Honor Date in an amount equal to the Unreimbursed Amount, without regard to the minimum and multiples specified in Section 2.02 for the principal amount of Base Rate Loans, but subject to the amount of the unutilized portion of the Aggregate Commitments and the conditions set forth in Section 4.02 (other than the delivery of a Revolving Loan Notice). Any notice given by the L/C Issuer or the Administrative Agent pursuant to this Section 2.03(c)(i) may be given by telephone if immediately confirmed in writing; provided that the lack of such an immediate confirmation shall not affect the conclusiveness or binding effect of such notice.

(ii) Each Revolving Lender shall upon any notice pursuant to Section 2.03(c)(i) make funds available (and the Administrative Agent may apply Cash Collateral provided for this purpose) for the account of the L/C Issuer, in Dollars, at the Administrative Agent's Office for Dollar-denominated payments in an amount equal to its Applicable Percentage of the Unreimbursed Amount not later than 1:00 p.m. on the Business Day specified in such notice by the Administrative Agent, whereupon, subject to the provisions of Section 2.03(c)(iii), each Lender that so makes funds available shall be deemed to have made a Base Rate Revolving Loan to the Borrower in such amount. The Administrative Agent shall remit the funds so received to the L/C Issuer.

(iii) With respect to any Unreimbursed Amount that is not fully refinanced by a Revolving Borrowing of Base Rate Loans because the conditions set forth in Section 4.02 cannot be satisfied or for any other reason, the Borrower shall be deemed to have incurred from the L/C Issuer an L/C Borrowing in the amount of the Unreimbursed Amount that is not so refinanced, which L/C Borrowing shall be due and payable on demand (together with interest) and shall bear interest at the Default Rate. In such event, each Revolving Lender's payment to the Administrative Agent for the account of the L/C Issuer pursuant to Section 2.03(c)(ii) shall be deemed payment in respect of its participation in such L/C Borrowing and shall constitute an L/C Advance from such Lender in satisfaction of its participation obligation under this Section 2.03.

(iv) Until each Revolving Lender funds its Revolving Loan or L/C Advance pursuant to this Section 2.03(c) to reimburse the L/C Issuer for any amount drawn under any Letter of Credit, interest in respect of such Revolving Lender's Applicable Percentage of such amount shall be solely for the account of the L/C Issuer.

(v) Each Revolving Lender's obligation to make Revolving Loans or L/C Advances to reimburse the L/C Issuer for amounts drawn under Letters of Credit, as contemplated by this Section 2.03(c), shall be absolute and unconditional and shall not be affected by any circumstance, including (A) any setoff, counterclaim, recoupment, defense or other right which such Revolving Lender may have against the L/C Issuer, the Borrower or any other Person for any reason whatsoever; (B) the occurrence or continuance of a Default, or (C) any other occurrence, event or condition, whether or not similar to any of the foregoing; provided, however, that each Revolving Lender's obligation to make Revolving Loans pursuant to this Section 2.03(c) is subject to the conditions set forth in Section 4.02 (other than delivery by the Borrower of a Revolving Loan Notice). No such making of an L/C Advance shall relieve or otherwise impair the obligation of the Borrower to reimburse the L/C Issuer for the amount of any payment made by the L/C Issuer under any Letter of Credit, together with interest as provided herein.

(vi) If any Revolving Lender fails to make available to the Administrative Agent for the account of the L/C Issuer any amount required to be paid by such Lender pursuant to the foregoing provisions of this Section 2.03(c) by the time specified in Section 2.03(c)(ii), then, without limiting the other provisions of this Agreement, the L/C Issuer shall be entitled to recover from such Lender (acting through the Administrative Agent), on demand, such amount with interest thereon for the period from the date such payment is required to the date on which such payment is immediately available to the L/C Issuer at a rate per annum equal to the applicable Overnight Rate from time to time in effect, plus any administrative, processing or similar fees customarily charged by the L/C Issuer in connection with the foregoing. If such Lender pays such amount (with interest and fees as aforesaid), the amount so paid shall constitute such Lender's Revolving Loan included in the relevant Revolving Borrowing or L/C Advance in respect of the relevant L/C Borrowing, as the case may be. A certificate of the L/C Issuer submitted to any Revolving Lender (through the Administrative Agent) with respect to any amounts owing under this clause (vi) shall be conclusive absent manifest error.

(d) Repayment of Participations

(i) At any time after the L/C Issuer has made a payment under any Letter of Credit and has received from any Revolving Lender such Lender's L/C Advance in respect of such payment in accordance with Section 2.03(c), if the Administrative Agent receives for the account of the L/C Issuer any payment in respect of the related Unreimbursed Amount or interest thereon (whether directly from the Borrower or otherwise, including proceeds of Cash Collateral applied thereto by the Administrative Agent), the Administrative Agent will distribute to such Lender its Applicable Percentage thereof in Dollars and in the same funds as those received by the Administrative Agent.

(ii) If any payment received by the Administrative Agent for the account of the L/C Issuer pursuant to Section 2.03(c)(i) is required to be returned under any of the circumstances described in Section 10.05 (including pursuant to any settlement entered into by the L/C Issuer in its discretion), each Revolving Lender shall pay to the Administrative Agent for the account of the L/C Issuer its Applicable Percentage thereof on demand of the Administrative Agent, plus interest thereon from the date of such demand to the date such amount is returned by such Lender, at a rate per annum equal to the applicable Overnight Rate from time to time in effect. The obligations of the Revolving Lenders under this clause shall survive the payment in full of the Obligations and the termination of this Agreement.

(c) Obligations Absolute. The obligation of the Borrower to reimburse the L/C Issuer for each drawing under each Letter of Credit and to repay each L/C Borrowing shall be absolute, unconditional and irrevocable, and shall be paid strictly in accordance with the terms of this Agreement under all circumstances, including the following:

- (i) any lack of validity or enforceability of such Letter of Credit, this Agreement, or any other Loan Document;
- (ii) the existence of any claim, counterclaim, setoff, defense or other right that the Borrower or any Subsidiary thereof may have at any time against any beneficiary or any transferee of such Letter of Credit (or any Person for whom any such beneficiary or any such transferee may be acting), the L/C Issuer or any other Person, whether in connection with this Agreement, the transactions contemplated hereby or by such Letter of Credit or any agreement or instrument relating thereto, or any unrelated transaction;
- (iii) any draft, demand, certificate or other document presented under such Letter of Credit proving to be forged, fraudulent, invalid or insufficient in any respect or any statement therein being untrue or inaccurate in any respect; or any loss or delay in the transmission or otherwise of any document required in order to make a drawing under such Letter of Credit;
- (iv) waiver by the L/C Issuer of any requirement that exists for the L/C Issuer's protection and not the protection of the Borrower or any waiver by the L/C Issuer which does not in fact materially prejudice the Borrower;
- (v) honor of a demand for payment presented electronically even if such Letter of Credit requires that demand be in the form of a draft;
- (vi) any payment made by the L/C Issuer in respect of an otherwise complying item presented after the date specified as the expiration date of, or the date by which documents must be received under, such Letter of Credit if presentation after such date is authorized by the UCC or the ISP, as applicable;
- (vii) any payment by the L/C Issuer under such Letter of Credit against presentation of a draft or certificate that does not strictly comply with the terms of such Letter of Credit; or any payment made by the L/C Issuer under such Letter of Credit to any Person purporting to be a trustee in bankruptcy, debtor-in-possession, assignee for the benefit of creditors, liquidator, receiver or other representative of or successor to any beneficiary or any transferee of such Letter of Credit, including any arising in connection with any proceeding under any Debtor Relief Law; or
- (viii) any other circumstance or happening whatsoever, whether or not similar to any of the foregoing, including any other circumstance that might otherwise constitute a defense available to, or a discharge of, the Borrower or any Subsidiary thereof.

The Borrower shall promptly examine a copy of each Letter of Credit and each amendment thereto that is delivered to it and, in the event of any claim of noncompliance with the Borrower's instructions or other irregularity, the Borrower will immediately notify the L/C Issuer. The Borrower shall be conclusively deemed to have waived any such claim against the L/C Issuer and its correspondents unless such notice is given as aforesaid.

(f) Role of L/C Issuer. Each Revolving Lender and the Borrower agree that, in paying any drawing under a Letter of Credit, the L/C Issuer shall not have any responsibility to obtain any document (other than any sight draft, certificates and documents expressly required by the Letter of Credit) or to ascertain or inquire as to the validity or accuracy of any such document or the authority of the Person executing or delivering any such document. None of the L/C Issuer, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of the L/C Issuer shall be liable to any Lender for (i) any action taken or omitted in connection herewith at the request or with the approval of the Revolving Lenders or the Required Revolving Lenders, as applicable; (ii) any action taken or omitted in the absence of gross negligence or willful misconduct; or (iii) the due execution, effectiveness, validity or enforceability of any document or instrument related to any Letter of Credit or Issuer Document. The Borrower hereby assumes all risks of the acts or omissions of any beneficiary or transferee with respect to its use of any Letter of Credit; provided, however, that this assumption is not intended to, and shall not, preclude the Borrower pursuing such rights and remedies as it may have against the beneficiary or transferee at law or under any other agreement. None of the L/C Issuer, the Administrative Agent, any of their respective Related Parties nor any correspondent, participant or assignee of the L/C Issuer shall be liable or responsible for any of the matters described in clauses (i) through (viii) of Section 2.03(e); provided, however, that anything in such clauses to the contrary notwithstanding, the Borrower may have a claim against the L/C Issuer, and the L/C Issuer may be liable to the Borrower, to the extent, but only to the extent, of any direct, as opposed to consequential or exemplary, damages suffered by the Borrower which the Borrower proves were caused by the L/C Issuer's willful misconduct or gross negligence or the L/C Issuer's willful failure to pay under any Letter of Credit after the presentation to it by the beneficiary of a sight draft and certificate(s) strictly complying with the terms and conditions of a Letter of Credit. In furtherance and not in limitation of the foregoing, the L/C Issuer may accept documents that appear on their face to be in order, without responsibility for further investigation, regardless of any notice or information to the contrary, and the L/C Issuer shall not be responsible for the validity or sufficiency of any instrument transferring or assigning or purporting to transfer or assign a Letter of Credit or the rights or benefits thereunder or proceeds thereof, in whole or in part, which may prove to be invalid or ineffective for any reason. The L/C Issuer may send a Letter of Credit or conduct any communication to or from the beneficiary via the Society for Worldwide Interbank Financial Telecommunication ("SWIFT") message or overnight courier, or any other commercially reasonable means of communicating with a beneficiary.

(g) Applicability of ISP. Unless otherwise expressly agreed by the L/C Issuer and the Borrower when a Letter of Credit is issued (including any such agreement applicable to an Existing Letter of Credit), the rules of the ISP shall apply to each standby Letter of Credit. Notwithstanding the foregoing, the L/C Issuer shall not be responsible to the Borrower for, and the L/C Issuer's rights and remedies against the Borrower shall not be impaired by, any action or inaction of the L/C Issuer required or permitted under any law, order, or practice that is required or permitted to be applied to any Letter of Credit or this Agreement, including the Law or any order of a jurisdiction where the L/C Issuer or the beneficiary is located, the practice stated in the ISP, or in the decisions, opinions, practice statements, or official commentary of the ICC Banking Commission, the Bankers Association for Finance and Trade - International Financial Services Association (BAFT-IFSA), or the Institute of International Banking Law & Practice, whether or not any Letter of Credit chooses such law or practice.

(h) Letter of Credit Fees. The Borrower shall pay to the Administrative Agent for the account of each Revolving Lender in accordance with its Applicable Percentage a Letter of Credit fee in Dollars (the “Letter of Credit Fee”) for each Letter of Credit equal to the Applicable Margin times the daily amount available to be drawn under such Letter of Credit; provided, however, any Letter of Credit Fees otherwise payable for the account of a Defaulting Lender with respect to any Letter of Credit as to which such Defaulting Lender has not provided Cash Collateral satisfactory to the L/C Issuer pursuant to this Section 2.03 shall be payable, to the maximum extent permitted by applicable Law, to the other Revolving Lenders in accordance with the upward adjustments in their respective Applicable Percentages allocable to such Letter of Credit pursuant to Section 2.15(a)(iv), with the balance of such fee, if any, payable to the L/C Issuer for its own account. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.09. Letter of Credit Fees shall be (i) due and payable on the last Business Day of each March, June, September and December, commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand and (ii) computed on a quarterly basis in arrears. If there is any change in the Applicable Margin during any quarter, the daily amount available to be drawn under each Letter of Credit shall be computed and multiplied by the Applicable Margin separately for each period during such quarter that such Applicable Margin was in effect. Notwithstanding anything to the contrary contained herein, upon the request of the Required Revolving Lenders, while any Event of Default exists, all Letter of Credit Fees shall accrue at the Default Rate.

(i) Fronting Fee and Documentary and Processing Charges Payable to L/C Issuer. The Borrower shall pay directly to the L/C Issuer for its own account a fronting fee in Dollars with respect to each Letter of Credit, at the rate per annum specified in the Agent Fee Letter, computed on the Dollar Equivalent of the daily amount available to be drawn under such Letter of Credit on a quarterly basis in arrears. Such fronting fee shall be due and payable on the last Business Day of each March, June, September and December in respect of the most recently-ended quarterly period (or portion thereof, in the case of the first payment), commencing with the first such date to occur after the issuance of such Letter of Credit, on the Letter of Credit Expiration Date and thereafter on demand. For purposes of computing the daily amount available to be drawn under any Letter of Credit, the amount of such Letter of Credit shall be determined in accordance with Section 1.09. In addition, the Borrower shall pay directly to the L/C Issuer for its own account, in Dollars, the customary issuance, presentation, amendment and other processing fees, and other standard costs and charges, of the L/C Issuer relating to letters of credit as from time to time in effect. Such customary fees and standard costs and charges are due and payable on demand and are nonrefundable.

(j) Conflict with Issuer Documents. In the event of any conflict between the terms hereof and the terms of any Issuer Document, the terms hereof shall control.

(k) Letters of Credit Issued for Subsidiaries. Notwithstanding that a Letter of Credit issued or outstanding hereunder is in support of any obligations of, or is for the account of, a Subsidiary, the Borrower shall be obligated to reimburse the L/C Issuer hereunder for any and all drawings under such Letter of Credit. The Borrower hereby acknowledges that the issuance of Letters of Credit for the account of Subsidiaries inures to the benefit of the Borrower, and that the Borrower’s business derives substantial benefits from the businesses of such Subsidiaries.

(l) Reporting. Each L/C Issuer (other than Bank of America) agrees to provide the Administrative Agent on the first Business Day of each month a schedule of the Letters of Credit issued by such L/C Issuer setting forth the aggregate Outstanding Amount of L/C Obligations for such Letters of Credit on the last Business Day of the previous month.

2.04. **Prepayments.**

(a) Optional Prepayments of Revolving Loans. The Borrower may, upon written notice (or telephonic notice promptly confirmed in writing) (together with any prepayment notice given with respect to Term Loans under Section 2.04(b), each, an “Optional Prepayment Notice”) to the Administrative Agent, at any time or from time to time voluntarily prepay Revolving Loans in whole or in part without premium or penalty; provided that (i) such Optional Prepayment Notice must be in a form acceptable to the Administrative Agent and be received by the Administrative Agent not later than 11:00 a.m. (A) three Business Days prior to any date of prepayment of Eurocurrency Rate Revolving Loans and (B) on the date of prepayment of Base Rate Revolving Loans; (ii) any prepayment of Eurocurrency Rate Revolving Loans shall be in a principal amount of \$5,000,000 or a whole multiple of \$1,000,000 in excess thereof; and (iii) any prepayment of Base Rate Revolving Loans shall be in a principal amount of \$500,000 or a whole multiple of \$100,000 in excess thereof or, in each case, if less, the entire principal amount thereof then outstanding. Each such Optional Prepayment Notice shall specify the date and amount of such prepayment and the Type(s) of Revolving Loans to be prepaid and, if Eurocurrency Rate Revolving Loans are to be prepaid, the Interest Period(s) of such Loans. The Administrative Agent will promptly notify each Revolving Lender of its receipt of each such notice, and of the amount of such Lender’s Applicable Percentage of such prepayment. Each Optional Prepayment Notice given under this Section 2.04(a) shall be irrevocable; provided, however, that any such Optional Prepayment Notice may state that such Optional Prepayment Notice is conditioned upon the effectiveness of other credit facilities or acquisitions or the receipt of net proceeds from the issuance of Equity Interests or incurrence of Indebtedness by the Borrower, in which case, such Optional Prepayment Notice may be revoked by the Borrower giving written notice (or telephonic notice promptly confirmed in writing) to the Administrative Agent on or prior to the date for prepayment specified in such Optional Prepayment Notice if such condition is not satisfied (and for the avoidance of doubt, the Borrower shall remain obligated pursuant to the terms of this Agreement for any cost, expense or loss (including those arising under Sections 3.05 and 10.04) incurred by the Administrative Agent, any Lender, L/C Issuer or other Person in connection with any Optional Prepayment Notice or revocation thereof). If an Optional Prepayment Notice is given and has not been revoked by the Borrower in accordance with the proviso to the immediately preceding sentence, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of a Eurocurrency Rate Loan shall be accompanied by all accrued interest on the amount prepaid, together with any additional amounts required pursuant to Section 3.05. Subject to Section 2.15, each such prepayment shall be applied to the Revolving Loans of the Lenders in accordance with their respective Applicable Percentages.

(b) Optional Prepayments of Term Loans. The Borrower shall have the right at any time to prepay the Term Loans on or before the applicable Maturity Date as a whole, or in part, by providing an Optional Prepayment Notice not less than three (3) Business Days prior written notice to the Administrative Agent, without premium or penalty (except as otherwise provided in Section 2.04(d) with respect to any Class of Term B[-2] Loans), provided that, subject to compliance with Section 3.05, (a) each partial prepayment shall be in principal amount of \$5,000,000 or a whole multiple of \$1,000,000 in excess thereof, and (b) each partial prepayment shall be allocated among the Appropriate Lenders in accordance with such Lender's Applicable Percentage of the applicable Term Loans. Each such Optional Prepayment Notice shall specify the date and amount of such prepayment and the Type(s) of Term Loans to be prepaid and, if Eurocurrency Rate Term Loans are to be prepaid, the Interest Period(s) of such Loans. The Administrative Agent will promptly notify each Appropriate Lender of its receipt of each such notice, and of the amount of such Lender's Applicable Percentage of such prepayment. Each Optional Prepayment Notice given under this Section 2.04(b) shall be irrevocable; provided, however, that any such Optional Prepayment Notice may state that such Optional Prepayment Notice is conditioned upon the effectiveness of other credit facilities or acquisitions or the receipt of net proceeds from the issuance of Equity Interests or incurrence of Indebtedness by the Borrower, in which case, such Optional Prepayment Notice may be revoked by the Borrower giving written notice (or telephonic notice promptly confirmed in writing) to the Administrative Agent on or prior to the date for prepayment specified in such Optional Prepayment Notice if such condition is not satisfied (and for the avoidance of doubt, the Borrower shall remain obligated pursuant to the terms of this Agreement for any cost, expense or loss (including those arising under Sections 3.05 and 10.04) incurred by the Administrative Agent, any Lender or other Person in connection with any Optional Prepayment Notice or revocation thereof). If an Optional Prepayment Notice is given and has not been revoked by the Borrower in accordance with the proviso to the immediately preceding sentence, the Borrower shall make such prepayment and the payment amount specified in such notice shall be due and payable on the date specified therein. Any prepayment of principal of the Term Loans hereunder shall include all interest accrued to the date of prepayment and shall be applied against the scheduled installments of principal due on the applicable Term Loans as directed by the Borrower in the Optional Prepayment Notice. No amount repaid with respect to the Term Loans may be reborrowed.

(c) Mandatory Prepayments.

(i) If for any reason the Total Revolving Outstandings at any time exceeds the Aggregate Revolving Commitments then in effect, the Borrower shall immediately prepay Revolving Loans and/or Cash Collateralize the L/C Obligations in an aggregate amount equal to such excess; provided, however, that the Borrower shall not be required to Cash Collateralize the L/C Obligations pursuant to this Section 2.04(c)(i) unless after the prepayment in full of the Revolving Loans the Total Revolving Outstandings exceeds the Aggregate Revolving Commitments then in effect.

(ii) Upon the consummation of any Asset Sale that results in the realization by such the Borrower or any of its Subsidiaries of Net Cash Proceeds in excess of \$100,000,000 in any fiscal year, the Borrower shall prepay an aggregate principal amount of Term Loans equal to 100% of such excess Net Cash Proceeds immediately upon receipt thereof by such Person (such prepayments to be applied as set forth in clause (iv) below); provided however, that, with respect to any Net Cash Proceeds realized pursuant to an Asset Sale, at the election of the Borrower (as notified by the Borrower to the Administrative Agent on or prior to the date of such Asset Sale), and so long as no Default shall have occurred and be continuing, in lieu of the Borrower repaying the Term Loans, the Borrower or any Subsidiary (or any Restricted Subsidiary, if the assets sold pursuant to such Asset Sale were assets of the Borrower or a Restricted Subsidiary) may reinvest an amount equal to all or any portion of such excess Net Cash Proceeds in properties and assets (including Equity Interests) that replace the properties and assets that were the subject of such Asset Sale or in properties and assets that will be used in the business of the Borrower and its Subsidiaries in compliance with Section 7.07 so long as within 360 days after the receipt of such excess Net Cash Proceeds such reinvestment shall have been consummated or the Borrower or such Subsidiary shall have entered into a definitive agreement for such reinvestment within such 360 day period and subsequently makes such reinvestment within 180 days thereafter (in either case as certified by the Borrower in writing to the Administrative Agent); and provided further, however, that the amount of any such excess Net Cash Proceeds not subject to such definitive agreement or so reinvested shall be immediately applied to the prepayment of the Term Loans as set forth in this Section 2.04(c)(ii).

(iii) Upon the incurrence or issuance by the Borrower or any of its Restricted Subsidiaries of any Indebtedness (other than Indebtedness expressly permitted to be incurred or issued pursuant to Section 7.03), the Borrower shall prepay an aggregate principal amount of the Term Loans equal to 100% of all Net Cash Proceeds received therefrom immediately upon receipt thereof by the Borrower or such Restricted Subsidiary (such prepayments to be applied as set forth in clause (iv) below).

(iv) Prepayments of the Term Facilities made pursuant to Section 2.04(c)(ii) or (iii) above shall be applied ratably to the Term A Facility and each Term B Facility and to the remaining principal repayment installments thereof under Sections 2.06(b), (c) and (d) on a pro rata basis.

(v) Notwithstanding any other provisions of this Section 2.05(c), (A) to the extent that the repatriation to the United States of any or all of the Net Cash Proceeds of any Asset Sale by a Foreign Subsidiary ("Foreign Asset Sale") would be (x) prohibited or delayed by applicable local law or (y) restricted by applicable material Organization Documents, an amount equal to the Net Cash Proceeds that would be so affected were the Borrower to attempt to repatriate such cash will not be required to be applied to repay Term Loans at the times provided in this Section 2.05(c) so long, but only so long, as the applicable local law or applicable material Organization Documents would not otherwise permit repatriation to the United States (and the Borrower hereby agrees to use all commercially reasonable efforts to overcome or eliminate any such restrictions on repatriation even if the Borrower does not intend to actually repatriate such cash, so that an amount equal to the full amount of such Net Cash Proceeds will otherwise be subject to repayment under this Section 2.05(c)), and if within one (1) year following the date on which the respective prepayment would otherwise have been required such repatriation of any of such affected Net Cash Proceeds is permissible under the applicable local law or applicable material Organization Documents, even if such cash is not actually repatriated at such time, an amount equal to the amount of the Net Cash Proceeds will be promptly (and in any event not later than five (5) Business Days) applied (net of an amount equal to the additional taxes of the Borrower, its Subsidiaries and the direct and indirect holders of Equity Interests in the Borrower that would be payable or reserved against and any additional costs that would be incurred as a result of a repatriation, whether or not a repatriation actually occurs) by the Borrower to the repayment of the Term Loans pursuant to this Section 2.05(c) and (B) to the extent that the Borrower has determined in good faith that repatriation of any of or all the Net Cash Proceeds of any Foreign Asset Sale would have material adverse tax consequences with respect to such Net Cash Proceeds, an amount equal to such Net Cash Proceeds that would be so affected will not be subject to prepayment under this Section 2.05(c); provided that in the case of each of subclauses (A) and (B), nonpayment prior to the time such amounts must be repatriated shall not constitute an Event of Default (and such amounts shall be available (1) first, to repay local foreign indebtedness owing to third parties, if any, and (2) thereafter, for working capital purposes of the Borrower and its Subsidiaries, in each case, subject to the prepayment provisions in this Section 2.05(c)).

(vi) For the avoidance of doubt, nothing in this Section 2.05(c) shall require the Borrower to cause any amounts to be repatriated to the United States (whether or not such amounts are used in or excluded from the determination of the amount of any mandatory prepayments hereunder).

(d) Term B Loan Repayment Premium. In the event that on or prior to the twelve month anniversary (or, in the case of the Dollar Term B-1 Loans, the six month anniversary) of ~~[(A)]~~ the ~~[Third]~~Fourth Amendment Repricing Effective Date, in the case of any ~~[Dollar]~~Class of Term B~~[-1 Loans or Sterling Term B-1]~~ Loans for which a reduction in the Applicable Margin has been effected pursuant to the ~~[Third]~~Fourth Amendment~~[and (B) the Term B-2 Funding Date, in the case of the Term B-2 Loans]~~, all or any portion of such Term B Loans is (i) repaid, prepaid, refinanced, replaced or converted with or into any new or replacement senior secured term loans under any credit facility (other than any new or replacement senior secured term loans incurred in connection with a Change of Control) or (ii) repriced or effectively refinanced through (x) any waiver, consent, amendment or amendment and restatement with respect to such Term B Loans which reduces the all-in yield of such Term B Loans or (y) the incurrence of any senior secured term loans having an all-in yield that is less than the all-in yield of such Term B Loans (or portion thereof) so repaid, prepaid, refinanced, replaced or repriced, in each case of clauses (i) and (ii), solely if the primary purpose of such repayment, prepayment, refinancing, replacement, conversion, or repricing, as the case may be, is to reduce the all-in yield applicable to such Term B Loans, the Borrower shall pay a prepayment premium equal to 1.00% of the principal amount of the Term B Loans so repaid, prepaid, refinanced, replaced or repriced.

2.05. Termination or Reduction of Commitments.

(a) Optional. The Borrower may, upon written notice (or telephonic notice promptly confirmed in writing) (an "Optional Termination/Reduction Notice") to the Administrative Agent, terminate the Aggregate Revolving Commitments, or from time to time permanently reduce the Aggregate Revolving Commitments; provided that (i) any such Optional Termination/Reduction Notice shall be received by the Administrative Agent not later than 11:00 a.m. five Business Days prior to the date of termination or reduction, (ii) any such partial reduction shall be in an aggregate amount of \$5,000,000 or any whole multiple of \$1,000,000 in excess thereof, (iii) the Borrower shall not terminate or reduce the Aggregate Revolving Commitments if, after giving effect thereto and to any concurrent prepayments hereunder, the Total Revolving Outstandings would exceed the Aggregate Revolving Commitments, and (iv) if, after giving effect to any reduction of the Aggregate Revolving Commitments, the Letter of Credit Sublimit exceeds the amount of the Aggregate Revolving Commitments, such Letter of Credit Sublimit shall be automatically reduced by the amount of such excess. Each Optional Termination/Reduction Notice shall be irrevocable; provided, however, that any such Optional Termination/Reduction Notice may state that such Optional Termination/Reduction Notice is conditioned upon the effectiveness of other credit facilities or acquisitions or the receipt of net proceeds from the issuance of Equity Interests or incurrence of Indebtedness by the Borrower, in which case, such Optional Termination/Reduction Notice may be revoked by the Borrower giving written notice (or telephonic notice promptly confirmed in writing) to the Administrative Agent on or prior to the date for prepayment specified in such Optional Termination/Reduction Notice if such condition is not satisfied (and for the avoidance of doubt, the Borrower shall remain obligated pursuant to the terms of this Agreement for any cost, expense or loss (including those arising under Section 10.04) incurred by the Administrative Agent, any Lender, L/C Issuer or other Person in connection with any Optional Termination/Reduction Notice or revocation thereof). The Administrative Agent will promptly notify the Revolving Lenders of any such notice of termination or reduction of the Aggregate Revolving Commitments. Any reduction of the Aggregate Revolving Commitments shall be applied to the Revolving Commitment of each Revolving Lender according to its Applicable Percentage. All fees accrued until the effective date of any termination of the Aggregate Revolving Commitments shall be paid on the effective date of such termination.

(b) Mandatory. The aggregate Term B-2 Commitments shall be automatically and permanently reduced to zero upon the making of the Term B-2 Loans.

2.06. Repayment of Loans.

(a) The Borrower shall repay to the Revolving Lenders on the Revolving Maturity Date the aggregate principal amount of Revolving Loans outstanding on such date.

(b) The Borrower shall repay the Term A Loans in equal quarterly installments, on the last Business Day of each March, June, September and December, each such installment in the amount of 2.00% of the result of (i) the respective Term A Borrowing on the First Amendment Effective Date divided by (ii) 0.98 (which amounts shall be reduced as a result of the application of prepayments in accordance with the order set forth in Section 2.04(b) or 2.04(c), as applicable). The Borrower shall repay to the Term A Lenders, on the Term A Maturity Date, the remaining principal amount of Term A Loans outstanding on such date.

(c) The Borrower shall repay the Term B-1 Loans in equal quarterly installments, on the last Business Day of each March, June, September and December (commencing on June 30, 2016), each such installment in the amount of £750,000, in the case of Sterling Term B-1 Loans, and \$625,000, in the case of Dollar Term B-1 Loans (which amounts shall be reduced as a result of the application of prepayments in accordance with the order set forth in Section 2.04(b) or 2.04(c), as applicable, or as a result of the repurchase by the Borrower of Term B-1 Loans pursuant to Section 10.06(h)). For the avoidance of doubt, any repurchase of Term B-1 Loans by the Borrower in accordance with Section 10.06(h) shall not result in a reduction of the amounts payable under this Section 2.06(c) with respect to Term B-1 Loans that have not been so repurchased. The Borrower shall repay to the Term B-1 Lenders, on the Term B-1 Maturity Date, the remaining principal amount of Term B-1 Loans outstanding on such date.

(d) The Borrower shall repay the Term B-2 Loans in equal quarterly installments, on the last Business Day of each March, June, September and December (commencing on ~~the last Business Day of the first full fiscal quarter ending after the Term B-2 Funding Date~~ June 30, 2017), each such installment in the amount of ~~0.25% of the aggregate Term B-2 Borrowing made on the Term B-2 Funding Date~~ €2,500,000 (which amounts shall be reduced as a result of the application of prepayments in accordance with the order set forth in Section 2.04(b) or 2.04(c), as applicable, or as a result of the repurchase by the Borrower of Term B-2 Loans pursuant to Section 10.06(h)). For the avoidance of doubt, any repurchase of Term B-2 Loans by the Borrower in accordance with Section 10.06(h) shall not result in a reduction of the amounts payable under this Section 2.06(c) with respect to Term B-2 Loans that have not been so repurchased. The Borrower shall repay to the Term B-2 Lenders, on the Term B-2 Maturity Date, the remaining principal amount of Term B-2 Loans outstanding on such date.

2.07. Interest.

(a) Subject to the provisions of subsection (b) below, (i) each Eurocurrency Rate Revolving Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the Eurocurrency Rate for such Interest Period plus the Applicable Margin; (ii) each Base Rate Revolving Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Margin; (iii) each Eurocurrency Rate Term A Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the Eurocurrency Rate for such Interest Period plus the Applicable Margin; (iv) each Base Rate Term A Loan shall bear interest on the outstanding principal amount thereof from the applicable borrowing date at a rate per annum equal to the Base Rate plus the Applicable Margin; (v) each Eurocurrency Rate Term B-1 Loan and Eurocurrency Rate Term B-2 Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the Eurocurrency Rate for such Interest Period plus the Applicable Margin and (vi) each Base Rate Term B-1 Loan shall bear interest on the outstanding principal amount thereof for each Interest Period at a rate per annum equal to the Base Rate for such Interest Period plus the Applicable Margin.

(b) (i) If any amount of principal of any Loan is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(i) If any amount (other than principal of any Loan) payable by the Borrower under any Loan Document is not paid when due (without regard to any applicable grace periods), whether at stated maturity, by acceleration or otherwise, then upon the request of the Required Lenders, such amount shall thereafter bear interest at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(ii) Upon the request of the Required Lenders, while any Event of Default exists (other than as set forth in clauses (b)(i) and (b)(ii) above), the Borrower shall pay interest on the principal amount of all outstanding Obligations hereunder at a fluctuating interest rate per annum at all times equal to the Default Rate to the fullest extent permitted by applicable Laws.

(iii) Accrued and unpaid interest on past due amounts (including interest on past due interest) shall be due and payable upon demand.

(c) Interest on each Loan shall be due and payable in arrears on each Interest Payment Date applicable thereto and at such other times as may be specified herein. Interest hereunder shall be due and payable in accordance with the terms hereof before and after judgment, and before and after the commencement of any proceeding under any Debtor Relief Law.

2.08. **Fees.** In addition to certain fees described in subsections (h) and (i) of Section 2.03:

(a) **Facility Fee.** The Borrower shall pay to the Administrative Agent for the account of each Revolving Lender in accordance with its Applicable Percentage, a facility fee (the "Facility Fee") in Dollars equal to the Applicable Margin times the actual daily amount of the Aggregate Revolving Commitments, regardless of usage (or, if the Aggregate Revolving Commitments have terminated, of the Total Revolving Outstandings). The Facility Fee shall accrue at all times until the Facility Termination Date, and shall be due and payable quarterly (and at maturity) in arrears on the last Business Day of each March, June, September and December, commencing with the first such date to occur after the Closing Date. The Facility Fee shall be calculated quarterly in arrears, and if there is any change in the Applicable Margin during any quarter, the actual daily amount shall be computed and multiplied by the Applicable Margin separately for each period during such quarter that such Applicable Margin was in effect.

(b) Reserved.

(c) **Other Fees.** The Borrower shall pay to the applicable Joint Lead Arrangers and the Administrative Agent for their own respective accounts fees in the amounts and at the times specified in the Fee Letters. Such fees shall be fully earned when paid and shall not be refundable for any reason whatsoever.

2.09. **Computation of Interest and Fees; Retroactive Adjustments of Applicable Margin.**

(a) All computations of interest for Base Rate Loans (including Base Rate Loans determined by reference to the Eurocurrency Rate) shall be made on the basis of a year of 365 or 366 days, as the case may be, and actual days elapsed. All other computations of fees and interest shall be made on the basis of a 360-day year and actual days elapsed (which results in more fees or interest, as applicable, being paid than if computed on the basis of a 365-day year) or, in the case of interest in respect of Loans denominated in Alternative Currencies as to which market practice differs from the foregoing, in accordance with such market practice. Interest shall accrue on each Loan for the day on which the Loan is made, and shall not accrue on a Loan, or any portion thereof, for the day on which the Loan or such portion is paid, provided that any Loan that is repaid on the same day on which it is made shall, subject to Section 2.11(a), bear interest for one day. Each determination by the Administrative Agent of an interest rate or fee hereunder shall be conclusive and binding for all purposes, absent manifest error. With respect to all Non-LIBOR Quoted Currencies, the calculation of the applicable interest rate shall be determined in accordance with market practice.

(b) If, as a result of any restatement of or other adjustment to the financial statements of the Borrower or for any other reason, the Borrower or the Lenders determine that (i) the Consolidated Net Lease Adjusted Leverage Ratio as calculated by the Borrower as of any applicable date was inaccurate and (ii) a proper calculation of the Consolidated Net Lease Adjusted Leverage Ratio would have resulted in higher pricing for such period, the Borrower shall immediately and retroactively be obligated to pay to the Administrative Agent for the account of the applicable Lenders or the L/C Issuer, as the case may be, within three (3) Business Days of demand by the Administrative Agent (or, after the occurrence of an actual or deemed entry of an order for relief with respect to the Borrower under the Bankruptcy Code of the United States, automatically and without further action by the Administrative Agent, any Lender or the L/C Issuer), an amount equal to the excess of the amount of interest and fees that should have been paid for such period over the amount of interest and fees actually paid for such period. This subsection shall not limit the rights of the Administrative Agent, any Lender or the L/C Issuer, as the case may be, under Sections 2.03(c)(iii), 2.03(h) or 2.07(b) or under Article VIII. The Borrower's obligations under this subsection shall survive the termination of the Aggregate Commitments and the repayment of all other Obligations hereunder.

2.10. Evidence of Debt.

(a) The Credit Extensions made by each Lender shall be evidenced by one or more accounts or records maintained by such Lender and by the Administrative Agent in the ordinary course of business. The accounts or records maintained by the Administrative Agent and each Lender shall be conclusive absent manifest error of the amount of the Credit Extensions made by the Lenders to the Borrower and the interest and payments thereon. Any failure to so record or any error in doing so shall not, however, limit or otherwise affect the obligation of the Borrower hereunder to pay any amount owing with respect to the Obligations. In the event of any conflict between the accounts and records maintained by any Lender and the accounts and records of the Administrative Agent in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error. Upon the request of any Lender made through the Administrative Agent, the Borrower shall execute and deliver to such Lender (through the Administrative Agent) a Note, which shall evidence such Lender's Loans in addition to such accounts or records. Each Lender may attach schedules to its Note and endorse thereon the date, Type (if applicable), amount, currency and maturity of its Loans and payments with respect thereto.

(b) In addition to the accounts and records referred to in subsection (a), each Revolving Lender and the Administrative Agent shall maintain in accordance with its usual practice accounts or records evidencing the purchases and sales by such Lender of participations in Letters of Credit. In the event of any conflict between the accounts and records maintained by the Administrative Agent and the accounts and records of any Revolving Lender in respect of such matters, the accounts and records of the Administrative Agent shall control in the absence of manifest error.

2.11. Payments Generally; Administrative Agent's Clawback.

(a) General. All payments to be made by the Borrower shall be made without condition or deduction for any counterclaim, defense, recoupment or setoff. Except as otherwise expressly provided herein, all payments by the Borrower hereunder shall be made to the Administrative Agent, for the account of the respective Lenders to which such payment is owed, at the Administrative Agent's Office in the currency in which such Loan was made and in Same Day Funds not later than 2:00 p.m. on the date specified herein. The Administrative Agent will promptly distribute to each Appropriate Lender its Applicable Percentage in respect of the relevant Facility (or other applicable share as provided herein) of such payment in like funds as received by wire transfer to such Lender's Lending Office. All payments received by the Administrative Agent after 2:00 p.m. shall be deemed received on the next succeeding Business Day and any applicable interest or fee shall continue to accrue. If any payment to be made by the Borrower shall come due on a day other than a Business Day, payment shall be made on the next following Business Day, and such extension of time shall be reflected in computing interest or fees, as the case may be.

(b) (i) Funding by Lenders; Presumption by Administrative Agent. Unless the Administrative Agent shall have received notice from a Lender prior to the proposed date of any Borrowing of Eurocurrency Rate Loans (or, in the case of any Borrowing of Base Rate Loans, prior to 12:00 noon on the date of such Borrowing) that such Lender will not make available to the Administrative Agent such Lender's share of such Borrowing, the Administrative Agent may assume that such Lender has made such share available on such date in accordance with Section 2.02 (or, in the case of a Borrowing of Base Rate Loans, that such Lender has made such share available in accordance with and at the time required by Section 2.02) and may, in reliance upon such assumption, make available to the Borrower a corresponding amount. In such event, if a Lender has not in fact made its share of the applicable Borrowing available to the Administrative Agent, then the applicable Lender and the Borrower severally agree to pay to the Administrative Agent forthwith on demand such corresponding amount in Same Day Funds with interest thereon, for each day from and including the date such amount is made available to the Borrower to but excluding the date of payment to the Administrative Agent, at (A) in the case of a payment to be made by such Lender, the Overnight Rate, plus any administrative, processing or similar fees customarily charged by the Administrative Agent in connection with the foregoing, and (B) in the case of a payment to be made by the Borrower, the interest rate applicable to Base Rate Loans. If the Borrower and such Lender shall pay such interest to the Administrative Agent for the same or an overlapping period, the Administrative Agent shall promptly remit to the Borrower the amount of such interest paid by the Borrower for such period. If such Lender pays its share of the applicable Borrowing to the Administrative Agent, then the amount so paid shall constitute such Lender's Loan included in such Borrowing. Any payment by the Borrower shall be without prejudice to any claim the Borrower may have against a Lender that shall have failed to make such payment to the Administrative Agent.

(ii) Payments by Borrower; Presumptions by Administrative Agent. Unless the Administrative Agent shall have received notice from the Borrower prior to the date on which any payment is due to the Administrative Agent for the account of the Lenders or the L/C Issuer hereunder that the Borrower will not make such payment, the Administrative Agent may assume that the Borrower has made such payment on such date in accordance herewith and may, in reliance upon such assumption, distribute to the Appropriate Lenders or the L/C Issuer, as the case may be, the amount due. In such event, if the Borrower has not in fact made such payment, then each of the Appropriate Lenders or the L/C Issuer, as the case may be, severally agrees to repay to the Administrative Agent forthwith on demand the amount so distributed to such Lender or the L/C Issuer, in Same Day Funds with interest thereon, for each day from and including the date such amount is distributed to it to but excluding the date of payment to the Administrative Agent, at the Overnight Rate.

A notice of the Administrative Agent to any Lender or the Borrower with respect to any amount owing under this subsection (b) shall be conclusive, absent manifest error.

(c) Failure to Satisfy Conditions Precedent. If any Lender makes available to the Administrative Agent funds for any Loan to be made by such Lender as provided in the foregoing provisions of this Article II, and such funds are not made available to the Borrower by the Administrative Agent because the conditions to the applicable Credit Extension set forth in Article IV are not satisfied or waived in accordance with the terms hereof, the Administrative Agent shall return such funds (in like funds as received from such Lender) to such Lender, without interest.

(d) Obligations of Lenders Several. The obligations of the Appropriate Lenders hereunder to make Term Loans and Revolving Loans, to fund participations in Letters of Credit and to make payments pursuant to Section 10.04(c), as applicable, are several and not joint. The failure of any Appropriate Lender to make any Term Loan or Revolving Loan, to fund any such participation or to make any payment under Section 10.04(c) on any date required hereunder shall not relieve any other Appropriate Lender of its corresponding obligation to do so on such date, and no Lender shall be responsible for the failure of any other Lender to so make its Term Loan or Revolving Loan, to purchase its participation or to make its payment under Section 10.04(c).

(e) Funding Source. Nothing herein shall be deemed to obligate any Lender to obtain the funds for any Loan in any particular place or manner or to constitute a representation by any Lender that it has obtained or will obtain the funds for any Loan in any particular place or manner.

2.12. Sharing of Payments by Lenders. If any Lender shall, by exercising any right of setoff or counterclaim or otherwise, obtain payment in respect of any principal of or interest on any of the Revolving Loans or Term Loans made by it, or the participations in L/C Obligations held by it, resulting in such Lender's receiving payment of a proportion of the aggregate amount of such Revolving Loans, Term Loans, or participations and accrued interest thereon greater than its pro rata share thereof as provided herein, then the Lender receiving such greater proportion shall (a) notify the Administrative Agent of such fact, and (b) purchase (for cash at face value) participations in the Revolving Loans and/or Term Loans and subparticipations in L/C Obligations of the other Appropriate Lenders, or make such other adjustments as shall be equitable, so that the benefit of all such payments shall be shared by the Appropriate Lenders ratably in accordance with the aggregate amount of principal of and accrued interest on their respective Revolving Loans, Term Loans and other amounts owing them, provided that:

(i) if any such participations or subparticipations are purchased and all or any portion of the payment giving rise thereto is recovered, such participations or subparticipations shall be rescinded and the purchase price restored to the extent of such recovery, without interest; and

(ii) the provisions of this Section shall not be construed to apply to (x) any payment made by or on behalf of the Borrower pursuant to and in accordance with the express terms of this Agreement (including the application of funds arising from the existence of a Defaulting Lender or Disqualified Lender), (y) the application of Cash Collateral provided for in Section 2.14, or (z) any payment obtained by a Lender as consideration for the assignment of or sale of a participation in any of its Revolving Loans or Term Loans or subparticipations in L/C Obligations to any assignee or participant, other than an assignment to the Borrower (except for assignments of Term B Loans to the Borrower in accordance with Section 10.06(h)) or any Subsidiary thereof (as to which the provisions of this Section shall apply).

The Borrower consents to the foregoing and agrees, to the extent it may effectively do so under applicable law, that any Lender acquiring a participation pursuant to the foregoing arrangements may exercise against the Borrower rights of setoff and counterclaim with respect to such participation as fully as if such Lender were a direct creditor of the Borrower in the amount of such participation.

2.13. Increase in Commitments.

(a) Request for Increase. Provided there exists no Default, except as provided in clause (e) below, upon notice to the Administrative Agent (which shall promptly notify the Lenders), the Borrower may from time to time, including in connection with the Third Amendment Effective Date (it being understood that any such request for an increase to be made in connection with the Term B-2 Facility and all notices and allocations required to be made pursuant to this Section 2.13 with respect to the Term B-2 Facility shall be deemed to have been made and such increase shall be effective on the Third Amendment Effective Date), request an increase in the Aggregate Commitments (which increase may take the form of new revolving loan tranches or term loan tranches) by an amount (for all such requests) not exceeding, in the aggregate, (i) €1,000,000,000 on the Third Amendment Effective Date plus (ii) thereafter, the Maximum Incremental Facilities Amount; provided that (x) any such request for an increase shall be in a minimum amount of \$100,000,000, and (y) no Lender shall be required to participate in an increase in the applicable Commitments after such request. At the time of sending such notice, the Borrower (in consultation with the Administrative Agent) shall specify the time period within which each Lender is requested to respond (which shall in no event be less than ten Business Days from the date of delivery of such notice to the Appropriate Lenders).

(b) Lender Elections to Increase. Each Appropriate Lender shall notify the Administrative Agent within such time period whether or not it agrees to increase its applicable Commitment and, if so, whether by an amount equal to, greater than, or less than its Applicable Percentage of such requested increase. Any Lender not responding within such time period shall be deemed to have declined to increase its applicable Commitment.

(c) Notification by Administrative Agent: Additional Lenders. The Administrative Agent shall notify the Borrower and each Appropriate Lender of the Appropriate Lenders' responses to each request made hereunder. To achieve the full amount of a requested increase and subject to the approval of the Administrative Agent and the L/C Issuer (which approvals shall not be unreasonably withheld), the Borrower may also invite additional Eligible Assignees to become Lenders pursuant to a joinder agreement in form and substance reasonably satisfactory to the Administrative Agent and its counsel.

(d) Effective Date and Allocations. If the Aggregate Commitments are increased in accordance with this Section, the Administrative Agent and the Borrower shall determine the effective date (the "Increase Effective Date") and the final allocation date (the "Increase Effective Date") and the final allocation of such increase and the Increase Effective Date.

(c) Conditions to Effectiveness of Increase. As a condition precedent to such increase, (i) the Borrower shall deliver to the Administrative Agent a certificate of each Loan Party dated as of the Increase Effective Date (in sufficient copies for each Appropriate Lender) signed by a Responsible Officer of such Loan Party (x) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such increase, and (y) in the case of the Borrower, certifying that, before and after giving effect to such increase, (A) the representations and warranties of the Borrower and each other Loan Party contained in Article V or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, are true and correct in all material respects on and as of the Increase Effective Date, except (1) for representations and warranties which are qualified by the inclusion of a materiality standard, which representations and warranties are true and correct in all respects, and (2) to the extent that such representations and warranties specifically refer to an earlier date, in which case they are true and correct in all material respects as of such earlier date, and except that for purposes of this clause (i)(y)(A), the representations and warranties contained in clauses (a) and (b) of Section 5.05 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 6.01, (B) no Default or Event of Default exists or would result therefrom; provided, that in the event that the Loans incurred in connection with such increased Commitments are used to finance a Permitted Acquisition or permitted Investment, the Persons providing such increased Commitments may agree to a customary “Limited Conditionality Provision”, and (C) solely in the case of an increase pursuant to clause (c) of the definition of “Maximum Incremental Facilities Amount”, the Borrower is in compliance with the requirements of such clause and attaching calculations evidencing such compliance, (ii) to the extent that the increase of the Aggregate Commitments shall take the form of a new revolving loan tranche, such Revolving Commitments and Revolving Loans shall be on the same terms (as amended from time to time) (including interest rate margin and maturity date, but excluding arrangement, structuring, upfront and underwriting fees with respect to such Revolving Loans) as, and pursuant to documentation applicable to, the initial Revolving Commitments and Revolving Loans, and (iii) to the extent that the increase of the Aggregate Commitments shall take the form of a new term loan tranche, this Agreement shall be amended, in form and substance satisfactory to the Administrative Agent, the Lenders providing such term loan, and the Borrower, to include such terms as are customary for a term loan commitment, including maturity, pricing and yield, amortization, voting, pro rata sharing and other terms and provisions; provided, however, that except as further set forth herein, such term loans shall be treated substantially the same as the Term A Loans then outstanding (including with respect to mandatory and voluntary prepayments), in the case of a new term A loan tranche, or Term B Loans then outstanding, in the case of a new term B loan tranche; provided, further, that (1) the final maturity date of any such new term loan shall be determined by the Lenders providing such term loan and the Borrower but shall in no event be earlier than the latest maturity date of the Term A Loans then outstanding, in the case of a new term A loan tranche, or Term B Loans then outstanding, in the case of a new term B loan tranche, (2) the Weighted Average Life to Maturity of any such term loan shall be determined by the Lenders providing such term loan and the Borrower but shall in no event be shorter than the Weighted Average Life to Maturity of any of the Term A Loans then outstanding, in the case of a new term A loan tranche, or Term B Loans then outstanding, in the case of a new term B loan tranche, (3) any such new term loan shall rank pari passu or junior in right of payment and of security with the Revolving Loans and the Term Loans then outstanding and shall be subject to mandatory prepayment on a pari passu or less than pari passu basis with the Term Loans then outstanding, (4) if any such new term loan is a “term loan B” or other institutional term loan, such term loan may, but shall not be required to, include a financial maintenance covenant, it being understood that, to the extent that any financial maintenance covenant is added for the benefit of any such new term loan, (I) no consent shall be required from the Administrative Agent or any of the existing Lenders so long as such financial maintenance covenant is (X) also added for the benefit of the existing Loans or (Y) only applicable after the latest maturity date of the Loans in effect immediately prior to giving effect to such term loan and (II) the financial maintenance covenants set forth in Section 7.11, any other financial maintenance covenants existing at such time, and any defined term used in any of the foregoing or in the definitions of such defined terms, that are solely for the benefit of the Revolving Lenders and the Term A Lenders shall remain solely for the benefit of such Lenders and may not, for the avoidance of doubt, be amended or waived without the consent of the Required Revolving and Term A Lenders, and (6) the pricing (including interest rate margins, any interest rate floors, original issue discount and upfront fees) shall be determined by the Lenders providing such new term loan and the Borrower; provided that if the initial all-in yield (including interest rate margins, any interest rate floors, original issue discount and upfront fees (based on the lesser of a four-year average life to maturity or the remaining life to maturity), but excluding reasonable and customary arrangement, structuring and underwriting fees paid or payable with respect to such new term loan tranche) applicable to any new term loan tranche committed before eighteen months after, with respect to the Term B-1 Facility, January 8, 2016, and with respect to the Term B-2 Facility, [~~the Term B-2 Funding Date,~~ January 6, 2017, exceeds by more than 0.50% per annum the corresponding all-in yield (determined on the same basis) applicable to the Term B-1 Loans and/or the Term B-2 Loans, respectively (the amount of such excess above 0.50% being referred to herein as the “Yield Differential”), then the Applicable Margin with respect to the Term B-1 Loans and/or Term B-2 Loans, as applicable, shall automatically be increased by the Yield Differential, effective upon the making of such new term loan tranche (it being agreed that to the extent the all-in-yield with respect to such new term loan tranche is greater than the all-in-yield of the Term B-1 Loans and/or Term B-2 Loans, as applicable, solely as a result of a higher Eurocurrency Rate floor, then the increased interest rate applicable to the Term B-1 Loans and/or Term B-2 Loans, as applicable, shall be effected solely by increasing the Eurocurrency Rate floor applicable thereto). To the extent necessary to keep the outstanding Revolving Loans ratable with any revised Applicable Percentages arising from any nonratable increase in the Revolving Commitments under this Section, either (a) the Borrower shall prepay any Revolving Loans outstanding on the Increase Effective

Date or (b) the Revolving Lenders whose Applicable Percentages have decreased may assign a portion of their Revolving Loans to other Revolving Lenders whose Applicable Percentages have increased; provided that in each case the Borrower shall pay any additional amounts required pursuant to Section 3.05.

(f) Conflicting Provisions. This Section shall supersede any provisions in Section 2.12 or 10.01 to the contrary.

2.14. **Cash Collateral.**

(a) Certain Credit Support Events Upon the request of the Administrative Agent or the L/C Issuer (i) if the L/C Issuer has honored any full or partial drawing request under any Letter of Credit and such drawing has resulted in an L/C Borrowing, or (ii) if, as of the Letter of Credit Expiration Date, any L/C Obligation for any reason remains outstanding, the Borrower shall, in each case, immediately Cash Collateralize the then Outstanding Amount of all L/C Obligations, or (iii) if the Outstanding Amount of the L/C Obligations exceeds 110% of the Letter of Credit Sublimit, the Borrower shall Cash Collateralize the amount by which the Outstanding Amount of the L/C Obligations exceeds the Letter of Credit Sublimit. At any time that there shall exist a Defaulting Lender, promptly upon the request of the Administrative Agent or the L/C Issuer, the Borrower shall deliver to the Administrative Agent Cash Collateral in an amount sufficient to cover all Fronting Exposure (after giving effect to Section 2.15(a)(iv) and any Cash Collateral provided by the Defaulting Lender).

(b) Grant of Security Interest. The Borrower, and to the extent provided by any Defaulting Lender, such Defaulting Lender, hereby grants to (and subjects to the control of) the Administrative Agent, for the benefit of the Administrative Agent, the L/C Issuer and the Appropriate Lenders, and agrees to maintain, a first priority security interest in all such cash, deposit accounts and all balances therein, and all other property so provided as collateral pursuant hereto, and in all proceeds of the foregoing, all as security for the obligations to which such Cash Collateral may be applied pursuant to Section 2.14(c). If at any time the Administrative Agent determines that Cash Collateral is subject to any right or claim of any Person other than the Administrative Agent as herein provided, or that the total amount of such Cash Collateral is less than the applicable Fronting Exposure and other obligations secured thereby, the Borrower or the relevant Defaulting Lender will, within one (1) Business Day of demand by the Administrative Agent, pay or provide to the Administrative Agent additional Cash Collateral in an amount sufficient to eliminate such deficiency. All Cash Collateral (other than credit support not constituting funds subject to deposit) shall be maintained in blocked, non-interest bearing deposit accounts at Bank of America. The Borrower shall pay on demand therefor from time to time all customary account opening, activity and other administrative fees and charges in connection with the maintenance and disbursement of Cash Collateral.

(c) Application. Notwithstanding anything to the contrary contained in this Agreement, Cash Collateral provided under any of this Section 2.14 or Sections 2.03, 2.04, 2.15 or 8.02 in respect of Letters of Credit shall be held and applied to the satisfaction of the specific L/C Obligations, obligations to fund participations therein (including, as to Cash Collateral provided by a Defaulting Lender, any interest accrued on such obligation) and other obligations for which the Cash Collateral was so provided, prior to any other application of such property as may be provided for herein.

(d) Release. Cash Collateral (or the appropriate portion thereof) provided to reduce Fronting Exposure or other obligations shall be released promptly following (i) the elimination of the applicable Fronting Exposure or other obligations giving rise thereto (including by the termination of Defaulting Lender status of the applicable Lender (or, as appropriate, its assignee following compliance with Section 10.06(b)(vi))) or (ii) the Administrative Agent's good faith determination that there exists excess Cash Collateral; provided, however, (x) that Cash Collateral furnished by or on behalf of a Loan Party shall not be released during the continuance of a Default or Event of Default (and following application as provided in this Section 2.14 may be otherwise applied in accordance with Section 8.03), and (y) the Person providing Cash Collateral and the L/C Issuer may agree that Cash Collateral shall not be released but instead held to support future anticipated Fronting Exposure or other obligations.

2.15. **Defaulting Lenders.**

(a) Adjustments. Notwithstanding anything to the contrary contained in this Agreement, if any Lender becomes a Defaulting Lender, then, until such time as that Lender is no longer a Defaulting Lender, to the extent permitted by applicable Law:

(i) Waivers and Amendments. That 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 definitions of "Required Lenders", "Required Revolving and Term A Lenders", "Required Term A Lenders", "Required Term B Lenders" and Section 10.01.

(ii) Defaulting Lender Waterfall. Any payment of principal, interest, fees or other amounts received by the Administrative Agent for the account of such Defaulting Lender (whether voluntary or mandatory, at maturity, pursuant to Article VIII or otherwise) or received by the Administrative Agent from a Defaulting Lender pursuant to Section 10.08 shall be applied at such time or times as may be determined by the Administrative Agent as follows: first, to the payment of any amounts owing by such Defaulting Lender to the Administrative Agent hereunder; second, to the payment on a pro rata basis of any amounts owing by such Defaulting Lender to the L/C Issuer hereunder; third, to Cash Collateralize the L/C Issuer's Fronting Exposure with respect to such Defaulting Lender in accordance with Section 2.14; fourth, as the Borrower may request (so long as no Default exists), to the funding of any Loan in respect of which such Defaulting Lender has failed to fund its portion thereof as required by this Agreement, as determined by the Administrative Agent; fifth, if so determined by the Administrative Agent and the Borrower, to be held in a deposit account and released pro rata in order to (x) satisfy such Defaulting Lender's potential future funding obligations with respect to Loans under this Agreement and (y) Cash Collateralize the L/C Issuer's future Fronting Exposure with respect to such Defaulting Lender with respect to future Letters of Credit issued under this Agreement, in accordance with Section 2.14; sixth, to the payment of any amounts owing to the Lenders or the L/C Issuer as a result of any judgment of a court of competent jurisdiction obtained by any Lender or the L/C Issuer against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; seventh, so long as no Default exists, to the payment of any amounts owing to the Borrower as a result of any judgment of a court of competent jurisdiction obtained by the Borrower against such Defaulting Lender as a result of such Defaulting Lender's breach of its obligations under this Agreement; and eighth, to such Defaulting Lender or as otherwise directed by a court of competent jurisdiction; provided that if (x) such payment is a payment of the principal amount of any Loans or L/C Borrowings in respect of which such Defaulting Lender has not fully funded its appropriate share, and (y) such Loans were made or the related Letters of Credit were issued at a time when the conditions set forth in Section 4.02 were satisfied or waived, such payment shall be applied solely to pay the Loans of, and L/C Obligations owed to, all Non-Defaulting Lenders on a pro rata basis prior to being applied to the payment of any Loans of, or L/C Obligations owed to, such Defaulting Lender until such time as all Loans and funded and unfunded participations in L/C Obligations are held by the Lenders pro rata in accordance with the Commitments hereunder without giving effect to Section 2.15(a)(iv). Any payments, prepayments or other amounts paid or payable to a Defaulting Lender that are applied (or held) to pay amounts owed by a Defaulting Lender or to post Cash Collateral pursuant to this Section 2.15(a)(ii) shall be deemed paid to and redirected by such Defaulting Lender, and each Lender irrevocably consents hereto.

(iii) Certain Fees. That Defaulting Lender (x) shall not be entitled to receive any Facility Fee pursuant to Section 2.08(a) for any period during which that Lender is a Defaulting Lender (and the Borrower shall not be required to pay any such fee that otherwise would have been required to have been paid to that Defaulting Lender for any period during which that Lender is a Defaulting Lender) and (y) shall be limited in its right to receive Letter of Credit Fees as provided in Section 2.03(h).

(iv) Reallocation of Applicable Percentages to Reduce Fronting Exposure. All or any part of such Defaulting Lender's participation in L/C Obligations shall be reallocated among the Non-Defaulting Lenders in accordance with their respective Applicable Percentages in respect of the Revolving Facility (calculated without regard to such Defaulting Lender's Revolving Commitment) but only to the extent that (x) the conditions set forth in Section 4.02 are satisfied at the time of such reallocation (and, unless the Borrower shall have otherwise notified the Administrative Agent at such time, the Borrower shall be deemed to have represented and warranted that such conditions are satisfied at such time), and (y) such reallocation does not cause the aggregate Revolving Credit Exposure of any Non-Defaulting Lender to exceed such Non-Defaulting Lender's Revolving Commitment. No reallocation hereunder shall constitute a waiver or release of any claim of any party hereunder against a Defaulting Lender arising from that Lender having become a Defaulting Lender, including any claim of a Non-Defaulting Lender as a result of such Non-Defaulting Lender's increased exposure following such reallocation.

(b) Defaulting Lender Cure. If the Borrower, the Administrative Agent and the L/C Issuer agree in writing in their sole discretion that a Defaulting Lender should no longer be deemed to be a Defaulting Lender, the Administrative Agent will so notify the parties hereto, whereupon as of the effective date specified in such notice and subject to any conditions set forth therein (which may include arrangements with respect to any Cash Collateral), that Lender will, to the extent applicable, purchase that portion of outstanding Loans of the other Lenders or take such other actions as the Administrative Agent may determine to be necessary to cause the Loans and funded and unfunded participations in Letters of Credit to be held on a pro rata basis by the Lenders in accordance with their Applicable Percentages (without giving effect to Section 2.15(a)(iv)), whereupon that Lender will cease to be a Defaulting Lender; provided that no adjustments will be made retroactively with respect to fees accrued or payments made by or on behalf of the Borrower while that Lender was a Defaulting Lender; and provided, further, that except to the extent otherwise expressly agreed by the affected parties, no change hereunder from Defaulting Lender to Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender.

2.16. Extension of Maturity Date in Respect of Revolving Facility, Term A Facility, Term B-1 Facility and/or Term B-2 Facility.

(a) Requests for Extension. The Borrower may, from time to time by notice (an "Extension Request Notice") to the Administrative Agent (who shall promptly notify the Revolving Lenders, the Term A Lenders, the Term B-1 Lenders or the Term B-2 Lenders, as applicable) not earlier than 45 days and not later than 35 days prior to the then-existing Revolving Maturity Date, the then-existing Term A Maturity Date, the then-existing Term B-1 Maturity Date or the then-existing Term B-2 Maturity Date, respectively (with respect to the Revolving Facility, the "Existing Revolving Maturity Date", with respect to the Term A Facility, the "Existing Term A Maturity Date", with respect to the Term B-1 Facility, the "Existing Term B-1 Maturity Date" and with respect to the Term B-2 Facility, the "Existing Term B-2 Maturity Date"), request that each Applicable Lender extend such Lender's Revolving Maturity Date, Term A Maturity Date, Term B-1 Maturity Date or Term B-2 Maturity Date, as applicable, for (i) in the case of the Revolving Facility or the Term A Facility, an additional 364 days from the Existing Revolving Maturity Date or the Existing Term A Maturity Date, as applicable and (ii) in the case of the Term B-1 Facility or Term B-2 Facility, any requested additional period of time beyond the Existing Term B-1 Maturity Date or the Existing Term B-2 Maturity Date, as applicable.

(b) Lender Elections to Extend. Each Revolving Lender, Term A Lender, Term B-1 Lender or Term B-2 Lender, as applicable, acting in its sole and individual discretion, shall, by notice to the Administrative Agent given not earlier than 30 days prior to the Existing Revolving Maturity Date, Existing Term A Maturity Date, Existing Term B-1 Maturity Date or Existing Term B-2 Maturity Date, as applicable, and not later than the date (the "Notice Date") that is 20 days prior to the Existing Revolving Maturity Date, the Existing Term A Maturity Date, the Existing Term B-1 Maturity Date or the Existing Term B-2 Maturity Date, as applicable, advise the Administrative Agent whether or not such Revolving Lender, Term A Lender, Term B-1 Lender or Term B-2 Lender, as applicable, agrees to such extension (and each Revolving Lender, Term A Lender, Term B-1 Lender or Term B-2 Lender, as applicable, that determines not to so extend its Revolving Maturity Date, Term A Maturity Date, Term B-1 Maturity Date or Term B-2 Maturity Date, respectively (a "Non-Extending Lender")), shall notify the Administrative Agent of such fact promptly after such determination (but in any event no later than the Notice Date) and any Revolving Lender, Term A Lender, Term B-1 Lender or Term B-2 Lender, as applicable, that does not so advise the Administrative Agent on or before the Notice Date shall be deemed to be a Non-Extending Lender. The election of any Revolving Lender, Term A Lender, Term B-1 Lender or Term B-2 Lender, as applicable, to agree to such extension shall not obligate any other Revolving Lender, Term A Lender, Term B-1 Lender or Term B-2 Lender, as applicable, to so agree.

(c) Notification by Administrative Agent. The Administrative Agent shall notify the Borrower of each Revolving Lender's, Term A Lender's, Term B-1 Lender's or Term B-2 Lender's, as applicable, determination under this Section no later than the date 15 days prior to the Existing Revolving Maturity Date, the Existing Term A Maturity Date, the Existing Term B-1 Maturity Date or the Existing Term B-2 Maturity Date, as applicable (or, if such date is not a Business Day, on the next preceding Business Day).

(d) Additional Commitment Lenders. The Borrower shall have the right to replace each Non-Extending Lender effective as of the applicable Existing Maturity Date with, and add as "Revolving Lenders", "Term A Lenders", "Term B-1 Lenders" or "Term B-2 Lenders", as applicable, under this Agreement in place thereof, one or more Eligible Assignees (each, an "Additional Revolving Commitment Lender", "Additional Term A Commitment Lender", "Additional Term B-1 Commitment Lender" or "Additional Term B-2 Commitment Lender", as applicable) as provided in Section 10.13; provided that each of such Additional Revolving Commitment Lenders shall enter into an Assignment and Assumption pursuant to which such Additional Revolving Commitment Lender shall, effective as of the Existing Revolving Maturity Date, undertake a Revolving Commitment (and if any such Additional Revolving Commitment Lender is already a Revolving Lender, its Revolving Commitment shall be in addition to any other Revolving Commitment of such Lender hereunder on such date).

(e) Extension Requirement.

(i) With respect to the Revolving Facility, if (and only if) the total of the Revolving Commitments of the Revolving Lenders that have agreed so to extend the Revolving Maturity Date (each, an "Extending Revolving Lender") and the additional Revolving Commitments of the Additional Revolving Commitment Lenders shall be more than 50% (or such lesser percentage as may be acceptable to all of the Extending Revolving Lenders, the Administrative Agent and the Borrower; provided that if a lesser percentage agree to extend, the Administrative Agent, upon the request of the Borrower, shall provide notice of the percentage agreeing to extend to the Extending Revolving Lenders and such extension shall not become effective unless all such Extending Revolving Lenders confirm their consent to such extension as provided in the original Extension Request Notice) of the aggregate amount of the Revolving Commitments in effect immediately prior to the Existing Revolving Maturity Date, then, effective as of the Existing Revolving Maturity Date, the Revolving Maturity Date of each Extending Revolving Lender and of each Additional Revolving Commitment Lender shall be extended to the date falling 364 days after the Existing Revolving Maturity Date (except that, if such date is not a Business Day, such Revolving Maturity Date as so extended shall be the next preceding Business Day) and each Additional Revolving Commitment Lender shall thereupon become a "Revolving Lender" for all purposes of this Agreement.

(ii) With respect to the Term A Facility, if (and only if) the total of the Outstanding Amount of Term A Loans of the Term A Lenders that have agreed so to extend their Term A Maturity Date (each, an “Extending Term A Lender”) and the Outstanding Amount of Term A Loans of the Additional Term A Commitment Lenders shall be more than 50% (or such lesser percentage as may be acceptable to all of the Extending Term A Lenders, the Administrative Agent and the Borrower; provided that if a lesser percentage agree to extend, the Administrative Agent, upon the request of the Borrower, shall provide notice of the percentage agreeing to extend to the Extending Term A Lenders and such extension shall not become effective unless all such Extending Term A Lenders confirm their consent to such extension as provided in the original Extension Request Notice) of the aggregate Outstanding Amount of Term A Loans immediately prior to the Existing Term A Maturity Date, then, effective as of the Existing Term A Maturity Date, the Term A Maturity Date of each Extending Term A Lender and of each Additional Term A Commitment Lender shall be extended to the date falling 364 days after the Existing Term A Maturity Date (except that, if such date is not a Business Day, such Term A Maturity Date as so extended shall be the next preceding Business Day) and each Additional Term A Commitment Lender shall thereupon become a “Term A Lender” for all purposes of this Agreement.

(iii) With respect to the Term B-1 Facility, effective as of the Existing Term B-1 Maturity Date, the Term B-1 Maturity Date in respect of the Term B-1 Facility of each Term B-1 Lender that has agreed so to extend its Term B-1 Maturity Date (each, an “Extending Term B-1 Lender”) and of each Additional Term B-1 Commitment Lender shall be extended to the applicable requested extended Term B-1 Maturity Date and each Additional Term B-1 Commitment Lender shall thereupon become a “Term B-1 Lender” for all purposes of this Agreement.

(iv) With respect to the Term B-2 Facility, effective as of the Existing Term B-2 Maturity Date, the Term B-2 Maturity Date in respect of the Term B-2 Facility of each Term B-2 Lender that has agreed so to extend its Term B-2 Maturity Date (each, an “Extending Term B-2 Lender”) and of each Additional Term B-2 Commitment Lender shall be extended to the applicable requested extended Term B-2 Maturity Date and each Additional Term B-2 Commitment Lender shall thereupon become a “Term B-2 Lender” for all purposes of this Agreement.

(f) Conditions to Effectiveness of Extensions. As a condition precedent to such extension, the Borrower shall deliver to the Administrative Agent a certificate of each Loan Party dated as of the Existing Revolving Maturity Date, Existing Term A Maturity Date, Existing Term B-1 Maturity Date or Existing Term B-2 Maturity Date, as applicable (in sufficient copies for each Extending Revolving Lender, Extending Term A Lender, Extending Term B-1 Lender or Extending Term B-2 Lender, as applicable, and each Additional Revolving Commitment Lender, Additional Term A Lender, Additional Term B-1 Lender or Additional Term B-2 Lender, as applicable) signed by a Responsible Officer of such Loan Party (i) certifying and attaching the resolutions adopted by such Loan Party approving or consenting to such extension and (ii) in the case of the Borrower, certifying that, before and after giving effect to such extension, (A) representations and warranties of the Borrower and each other Loan Party contained in Article V or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct in all material respects on and as of the Existing Revolving Maturity Date, Existing Term A Maturity Date, Existing Term B-1 Maturity Date or Existing Term B-2 Maturity Date, as applicable, except (i) for representations and warranties which are qualified by the inclusion of a materiality standard, which representations and warranties shall be true and correct in all respects, and (ii) to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date, and except that for purposes of this Section 2.16, the representations and warranties contained in clauses (a) and (b) of Section 5.05 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 6.01, and (B) no Default or Event of Default shall exist, or would result from such proposed extension. In addition, on the Revolving Maturity Date, the Term A Maturity Date, the Term B-1 Maturity Date or the Term B-2 Maturity Date, as applicable, then in effect for each Non-Extending Lender, the Borrower shall prepay any Revolving Loans, Term A Loans, Term B-1 Loans or Term B-2 Loans, as applicable, outstanding on such date (and pay any additional amounts required pursuant to Section 3.05) to the extent necessary to keep outstanding Revolving Loans, Term A Loans, Term B-1 Loans or Term B-2 Loans, as applicable, ratable with any revised Applicable Percentages of the respective Revolving Lenders, Term A Lenders, Term B-1 Lenders or Term B-2 Lenders, as applicable, effective as of such date.

(g) Additional Terms of Extensions. The terms of the Extended Term Loans or Extended Revolving Commitments shall, subject to clauses (i) and (ii) below, be set forth in an Extension Amendment executed by the Borrower, the Administrative Agent and the Extending Term A Lenders, the Extending Term B-1 Lenders, the Extending Term B-2 Lenders or the Extending Revolving Lenders, as applicable.

(i) The terms of the Term A Loans, Term B-1 Loans or Term B-2 Loans, as applicable, with a Maturity Date that has been extended pursuant to this Section 2.16 (the “Extended Term Loans”) shall be substantially similar to or no more favorable to the Extending Term A Lenders, Extending Term B-1 Lenders or Extending Term B-2 Lenders, as applicable, than those applicable to the non-extended Term A Loans (the “Existing Term A Loans”), the non-extended Term B-1 Loans (the “Existing Term B-1 Loans”), or the non-extended Term B-2 Loans (the “Existing Term B-2 Loans”), as applicable, except (1) the scheduled final maturity date shall be extended to the date requested in the applicable Extension Request Notice, (2) (A) the yield with respect to the applicable Extended Term Loans may be higher or lower than the yield for the Existing Term A Loans, Existing Term B-1 Loans or Existing Term B-2 Loans, as applicable, and/or (B) additional fees may be payable to the Lenders providing such Extended Term Loans in addition to or in lieu of any increased yield contemplated by the preceding clause (A), in each case, to the extent provided in the applicable Extension Amendment, (3) any Extended Term Loans may participate on a pro rata basis or a less than pro rata basis (but not greater than a pro rata basis) in any optional or mandatory prepayments or prepayment of Term A Loans, Term B-1 Loans or Term B-2 Loans, as applicable, hereunder in each case as specified in the applicable Extension Amendment, (4) the amortization schedule set forth in Section 2.06 applicable to the Existing Term A Loans, Existing Term B-1 Loans, or Existing Term B-2 Loans, as applicable, shall be adjusted to reflect the scheduled final maturity date of the applicable Extended Term Loans and the amortization schedule (including the principal amounts payable pursuant thereto) in respect of such Extended Term Loans set forth in the applicable Extension Amendment; provided that no changes to scheduled amortization pursuant to the preceding clause (4) shall take effect prior to the Existing Term A Maturity Date, Existing Term B-1 Maturity Date and/or Existing Term B-2 Maturity Date, as applicable and no changes shall result in a change to the percentage set forth in Section 2.06(b) or the calculation of such scheduled amortization in respect of the Term A Loans thereafter; provided further, that the Weighted Average Life to Maturity of such Extended Term Loans shall be no shorter than the Weighted Average Life to Maturity of the Existing Term A Loans, Existing Term B-1 Loans or the Existing Term B-2 Loans, as applicable, and (5) the covenants set forth in Article VII may be modified in a manner acceptable to the Borrower, the Administrative Agent and the Lenders party to the applicable Extension Amendment; provided that (x) such modifications become effective only after the latest Maturity Date in effect immediately prior to giving effect to such Extension Amendment or (y) this Agreement is amended in accordance with Section 10.01 (which amendment may be effected by the Administrative Agent and the Borrower to the extent permitted by clause (vii)(2) of the last paragraph in Section 10.01) so that such covenants apply to all of the then-existing Facilities) (it being understood that each Lender providing Extended Term Loans, by executing an Extension Amendment, agrees to be bound by such provisions and waives any inconsistent provisions set forth in Section 2.12 or Section 10.08). Each Lender holding Extended Term Loans shall be entitled to all the benefits afforded by this Agreement (including, without limitation, the provisions set forth in Section 2.04(c)(iv)) applicable to Term Loans (except to the extent otherwise set forth in the applicable Extension Amendment) and the other Loan Documents, and shall, without limiting the foregoing, benefit equally and ratably from the Multiparty Guaranty and the Liens created by the Collateral Documents. Any Extended Term Loan shall constitute a separate tranche of Term Loans from the Existing Term A Loans, Existing Term B-1 Loans or Existing Term B-2 Loans, as applicable, from which they were modified.

(ii) The terms of the Revolving Commitments with a Maturity Date that has been extended pursuant to this Section 2.16 (the “Extended Revolving Commitments”) and any related Revolving Loans, the “Extended Revolving Loans”) shall be substantially similar to or no more favorable to the Extending Revolving Lenders, as applicable, than those applicable to the non-extended Revolving Commitments (the “Existing Revolving Commitments”) and any related Revolving Loans, the “Existing Revolving Loans”), except (1) the scheduled final maturity date shall be extended to the date requested in the applicable Extension Request Notice, (2) (A) the yield with respect to the Extended Revolving Loans may be higher or lower than the yield for the Existing Revolving Loans, and/or (B) additional fees may be payable to the Lenders providing such Extended Revolving Commitments in addition to or in lieu of any increased yield contemplated by the preceding clause (A), in each case, to the extent provided in the applicable Extension Amendment, (3) the Applicable Margin with respect to the Facility Fee for the Extended Revolving Commitments may be higher or lower than the Applicable Margin with respect to the Facility Fee for the Existing Revolving Commitments, and (4) the covenants set forth in Article VII may be modified in a manner acceptable to the Borrower, the Administrative Agent and the Lenders party to the applicable Extension Amendment, provided that (x) such modifications become effective only after the latest Maturity Date in effect immediately prior to giving effect to such Extension Amendment or (y) or this Agreement is amended in accordance with Section 10.01 (which amendment may be effected by the Administrative Agent and the Borrower to the extent permitted by clause (v)(2) of the last paragraph in Section 10.01) so that such covenants apply to all of the then-existing Facilities) (it being understood that each Lender providing Extended Revolving Commitments, by executing an Extension Amendment, agrees to be bound by such provisions and waives any inconsistent

provisions set forth in Section 2.12 or Section 10.08). Each Lender holding Extended Revolving Commitments 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 Multiparty Guaranty and the Liens created by the Collateral Documents. Any Extended Revolving Commitments and Extended Revolving Loans shall constitute a separate tranche of Revolving Commitments and Revolving Loans from the Existing Revolving Commitments or Existing Revolving Loans from which they were modified. If, on any Extension Date, any Revolving Loans of any Extending Lender are outstanding under the applicable Existing Revolving Commitments, such Revolving Loans (and any related participations) shall be deemed to be allocated as Extended Revolving Loans (and related participations) and Existing Revolving Loans (and related participations) in the same proportion as such Extending Lender's Extended Revolving Commitments bear to its remaining Revolving Commitments of the Existing Revolving Commitments. In addition, if the relevant Extension Amendment provides for the extension of the Letter of Credit Sublimit, and with the consent of the L/C Issuer, participations in Letters of Credit expiring on or after the latest Revolving Maturity Date for any Revolving Loans then in effect shall, on the Letter of Credit Expiration Date, be re-allocated from Lenders with Existing Revolving Commitments to Lenders holding Extended Revolving Commitments in accordance with the terms of such Extension Amendment; provided, that such participation interests shall, upon receipt thereof by the relevant Lenders holding Extended Revolving Commitments, be deemed to be participation interests in respect of such Extended Revolving Commitments and the terms of such participation interests (including, without limitation, the Letter of Credit Fees applicable thereto) shall be adjusted accordingly.

(h) Conflicting Provisions. This Section shall supersede any provisions in Sections 2.12 or 10.01 to the contrary.

2.17. **Credit Agreement Refinancing Facilities.**

(a) The Borrower may, by written notice to the Administrative Agent from time to time, request (x) Replacement Revolving Commitments to replace all of any existing Class of Revolving Commitments (the “Replaced Revolving Commitments”) in an aggregate amount not to exceed the aggregate amount of the Replaced Revolving Commitments plus any accrued interest, fees, costs and expenses related thereto and (y) Refinancing Term Loans to refinance all of any existing Class of Term Loans (the “Refinanced Term Loans”) in an aggregate principal amount not to exceed the aggregate principal amount of the Refinanced Term Loans plus any accrued interest, fees, costs premiums (if any) and expenses related thereto (including any original issue discount or upfront fees). Such notice shall set forth (i) the amount of the applicable Credit Agreement Refinancing Facility, (ii) the date on which the applicable Credit Agreement Refinancing Facility is to become effective (which shall not be less than 10 Business Days nor more than 60 days after the date of such notice (or such longer or shorter periods as the Administrative Agent shall agree)) and (iii) whether such Credit Agreement Refinancing Facilities are Replacement Revolving Commitments or Refinancing Term Loans. The Borrower may seek Credit Agreement Refinancing Facilities from existing Lenders (each of which shall be entitled to agree or decline to participate in its sole discretion) or any Additional Lender.

(b) It shall be a condition precedent to the effectiveness of any Credit Agreement Refinancing Facility and the incurrence of any Refinancing Term Loans that (i) no Default or Event of Default shall have occurred and be continuing immediately prior to or immediately after giving effect to such Credit Agreement Refinancing Facility or the incurrence of such Refinancing Term Loans, as applicable, (ii) the representations and warranties set forth in Article V and in each other Loan Document shall be true and correct in all material respects on and as of the date such Credit Agreement Refinancing Facility becomes effective and the Refinancing Term Loans are made; (iii) the terms of the Credit Agreement Refinancing Facility shall comply with Section 2.17(c) and (iv) (x) substantially concurrently with the incurrence of any such Refinancing Term Loans, 100% of the proceeds thereof shall be applied to repay the Refinanced Term Loans (including accrued interest, fees, costs, premiums (if any) and expenses related thereto (including any original issue discount or upfront fees) payable in connection therewith) and (y) substantially concurrently with the effectiveness of any such Replacement Revolving Commitments, all of the Revolving Commitments in effect immediately prior to such effectiveness shall be terminated, and all of the Revolving Loans then outstanding, together with interest thereon and all other amounts accrued for the benefit of the Revolving Lenders, shall be repaid or paid.

(c) The terms of any Credit Agreement Refinancing Facility shall be determined by the Borrower and the applicable Credit Agreement Refinancing Facility Lenders and set forth in a Refinancing Amendment; provided that (i) the final maturity date of any Refinancing Term Loans or Replacement Revolving Commitments shall not be earlier than the maturity or termination date of the applicable Refinanced Term Loans or Replaced Revolving Commitments, respectively, then in effect, (ii) (A) there shall be no scheduled amortization of the Replacement Revolving Commitments and (B) the Weighted Average Life to Maturity of the Refinancing Term Loans shall be no shorter than the remaining Weighted Average Life to Maturity of the Refinanced Term Loans, (iii) the Credit Agreement Refinancing Facilities will rank *pari passu* in right of payment and of security with the Revolving Loans and the Term Loans and none of the obligors or guarantors with respect thereto shall be a Person that is not a Loan Party, (iv) the interest rate margin, rate floors, fees, original issue discount and premiums applicable to the Credit Agreement Refinancing Facilities shall be determined by the Borrower and the applicable Credit Agreement Refinancing Facility Lenders, (v) any Refinancing Term Loans may participate on a pro rata basis or a less than pro rata basis (but not greater than a pro rata basis) in any optional or mandatory prepayments or prepayment of Term A Loans, Term B-1 Loans or Term B-2 Loans, as applicable, hereunder in each case as specified in the applicable Refinancing Amendment, (vi) the terms in respect of the applicable Credit Agreement Refinancing Facility shall be substantially similar to and no more favorable to the applicable Credit Agreement Refinancing Facility Lenders than the terms of the Replaced Revolving Commitments and Refinanced Term Loans being replaced or refinanced, as applicable; provided that the covenants set forth in Article VII may be modified with respect to such Credit Agreement Refinancing Facility in a manner acceptable to the Borrower, the Administrative Agent and the applicable Credit Agreement Refinancing Facility Lenders; provided that (x) such modifications become effective only after the latest Maturity Date in effect immediately prior to giving effect to such Refinancing Amendment or (y) this Agreement is amended in accordance with Section 10.01 (which amendment may be effected by the Administrative Agent and the Borrower to the extent permitted by clause (vii)(2) of the last paragraph in Section 10.01) so that such covenants apply to all of the then-existing Facilities), and (vii) to the extent the terms of the Credit Agreement Refinancing Facilities are inconsistent with the terms set forth herein (except as set forth in clause (i) through (vi) above), such terms shall be reasonably satisfactory to the Administrative Agent.

(d) In connection with any Credit Agreement Refinancing Facility pursuant to this Section 2.17, the Borrower, the Administrative Agent and each applicable Credit Agreement Refinancing Facility Lender shall execute and deliver to the Administrative Agent a Refinancing Amendment and such other documentation as the Administrative Agent shall reasonably specify to evidence such Credit Agreement Refinancing Facilities. The Administrative Agent shall promptly notify each Lender as to the effectiveness of each Refinancing Amendment. Any Refinancing Amendment may, without the consent of any other Lender, effect such amendments to this Agreement and the other Loan Documents as may be necessary or appropriate, in the reasonable opinion of the Administrative Agent and the Borrower, to effect the provisions of this Section 2.17, including any amendments necessary to establish the applicable Credit Agreement Refinancing Facility as a new Class or tranche of Term Loans or Revolving Commitments (as applicable) and such other 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 Classes or tranches (including to preserve the pro rata treatment of the refinanced and non-refinanced tranches and to provide for the reallocation of participation in outstanding Letters of Credit upon the expiration or termination of the commitments under any Class or tranche), in each case on terms consistent with this Section 2.17. Upon effectiveness of any Replacement Revolving Commitments pursuant to this Section 2.17, each Revolving Lender with a Revolving Commitment immediately prior to such effectiveness will automatically and without further act be deemed to have assigned to each Replacement Revolving Lender, and each such Replacement Revolving Lender will automatically and without further act be deemed to have assumed, a portion of such existing Revolving Lender's participations hereunder in outstanding Letters of Credit such that, after giving effect to each such deemed assignment and assumption of participations, the percentage of the aggregate outstanding participations hereunder in Letters of Credit held by each Revolving Lender (including each such Replacement Revolving Lender) will equal its Applicable Percentage. If, on the date of such effectiveness, there are any Revolving Loans outstanding, such Revolving Loans shall upon the effectiveness of such Replacement Revolving Commitment be prepaid from the proceeds of additional Revolving Loans made hereunder so that Revolving Loans are thereafter held by the Revolving Lenders (including each Replacement Revolving Lender) according to their Applicable Percentage, which prepayment shall be accompanied by accrued interest on the Revolving Loans being prepaid and any costs incurred by any Revolving Lender in accordance with Section 3.05. The Administrative Agent and the Lenders hereby agree that the minimum borrowing, pro rata borrowing and pro rata payment requirements contained elsewhere in this Agreement shall not apply to the transactions effected pursuant to the immediately preceding sentence.

**ARTICLE III.
TAXES, YIELD PROTECTION AND ILLEGALITY**

3.01. Taxes.

(a) Payments Free of Taxes; Obligation to Withhold; Payments on Account of Taxes. (i) Any and all payments by or on account of any obligation of any Loan Party under any Loan Document shall be made without deduction or withholding for any Taxes, except as required by applicable Laws. If any applicable Laws (as determined in the good faith discretion of an applicable Withholding Agent) require the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the Withholding Agent shall be entitled to make such deduction or withholding.

(ii) If any Withholding Agent shall be required by any applicable Laws to withhold or deduct any Taxes from any payment, then (A) such Withholding Agent, as required by such Laws, shall withhold or make such deductions as are determined by it to be required, (B) such Withholding Agent, to the extent required by such Laws, shall timely pay the full amount withheld or deducted to the relevant Governmental Authority in accordance with such Laws, and (C) to the extent that the withholding or deduction is made on account of Indemnified Taxes, the sum payable by the applicable Loan Party shall be increased as necessary so that after any required withholding or the making of all required deductions (including deductions applicable to additional sums payable under this Section 3.01) the applicable Recipient receives an amount equal to the sum it would have received had no such withholding or deduction been made.

(b) Payment of Other Taxes by the Loan Parties. Without limiting the provisions of subsection (a) above, the Loan Parties shall timely pay to the relevant Governmental Authority in accordance with applicable law, or at the option of the Administrative Agent timely reimburse it for the payment of, any Other Taxes.

(c) Tax Indemnifications.

(i) Each of the Loan Parties shall, and does hereby, jointly and severally indemnify each Recipient, and shall make payment in respect thereof within 10 days after demand therefor, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 3.01) payable or paid by such Recipient or required to be withheld or deducted from a payment to such Recipient, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Borrower by a Lender or the L/C Issuer (with a copy to the Administrative Agent), or by the Administrative Agent on its own behalf or on behalf of a Lender or the L/C Issuer, shall be conclusive absent manifest error.

(ii) Each Lender and the L/C Issuer shall, and does hereby, severally indemnify, and shall make payment in respect thereof within 10 days after demand therefor, (x) the Administrative Agent against any Indemnified Taxes attributable to such Lender or the L/C Issuer (but only to the extent that any Loan Party has not already indemnified the Administrative Agent for such Indemnified Taxes and without limiting the obligation of the Loan Party to do so), (y) the Administrative Agent and the Loan Party, as applicable, against any Taxes attributable to such Lender's failure to comply with the provisions of Section 10.06(d) relating to the maintenance of a Participant Register and (z) the Administrative Agent and the Loan Party, as applicable, against any Excluded Taxes attributable to such Lender or the L/C Issuer, in each case, that are payable or paid by the Administrative Agent or a Loan Party in connection with any Loan Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by the Administrative Agent shall be conclusive absent manifest error. Each Lender and the L/C Issuer hereby authorizes the Administrative Agent to set off and apply any and all amounts at any time owing to such Lender or the L/C Issuer, as the case may be, under this Agreement or any other Loan Document against any amount due to the Administrative Agent under this clause (ii).

(d) Evidence of Payments. Upon request by the Borrower or the Administrative Agent, as the case may be, after any payment of Taxes by any Loan Party or by the Administrative Agent to a Governmental Authority as provided in this Section 3.01, the Borrower shall deliver to the Administrative Agent or the Administrative Agent shall deliver to the Borrower, as the case may be, the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment, a copy of any return required by Laws to report such payment or other evidence of such payment reasonably satisfactory to the Borrower or the Administrative Agent, as the case may be.

(c) Status of Lenders: Tax Documentation

(i) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Loan Document shall deliver to the Borrower and the Administrative Agent, at the time or times reasonably requested by the Borrower or the Administrative Agent, such properly completed and executed documentation prescribed by applicable law or the taxing authorities of a jurisdiction pursuant to such applicable law or reasonably requested by the Borrower or the Administrative Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by the Borrower or the Administrative Agent, shall deliver such other documentation prescribed by applicable law or reasonably requested by the Borrower or the Administrative Agent as will enable the Borrower or the Administrative Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation either (A) set forth in Section 3.01(e)(ii)(A), (ii)(B) and (ii)(D) below or (B) required by applicable law other than the Code or the taxing authorities of the jurisdiction pursuant to such applicable law to comply with the requirements for exemption or reduction of withholding tax in that jurisdiction) shall not be required if in the Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(ii) Without limiting the generality of the foregoing, in the event that the Borrower is a U.S. Person,

(A) any Lender that is a U.S. Person shall deliver to the Borrower and the Administrative Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed originals of IRS Form W-9 certifying that such Lender is exempt from U.S. federal backup withholding tax;

(B) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), whichever of the following is applicable:

(I) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party (x) with respect to payments of interest under any Loan Document, executed originals of IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Loan Document, IRS Form W-8BEN-E establishing an exemption from, or reduction of, U.S. federal withholding Tax pursuant to the "business profits" or "other income" article of such tax treaty;

(II) executed originals of IRS Form W-8ECI;

- (III) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit K-1 to the effect that such Foreign Lender is not a “bank” within the meaning of Section 881(c)(3)(A) of the Code, a “10 percent shareholder” of the Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a “controlled foreign corporation” described in Section 881(c)(3)(C) of the Code (a “U.S. Tax Compliance Certificate”) and (y) executed originals of IRS Form W-8BEN-E; or
- (IV) to the extent a Foreign Lender is not the beneficial owner, executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN-E, a U.S. Tax Compliance Certificate substantially in the form of Exhibit K-2 or Exhibit K-3, IRS Form W-9, and/or other certification documents from each beneficial owner, as applicable; provided that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit K-4 on behalf of each such direct and indirect partner;

(C) any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to the Borrower and the Administrative Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower or the Administrative Agent), executed originals of any other form prescribed by applicable law as a basis for claiming exemption from or a reduction in U.S. federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit the Borrower or the Administrative Agent to determine the withholding or deduction required to be made; and

(D) if a payment made to a Lender under any Loan Document would be subject to U.S. federal withholding Tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to the Borrower and the Administrative Agent at the time or times prescribed by law and at such time or times reasonably requested by the Borrower or the Administrative Agent such documentation prescribed by applicable law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by the Borrower or the Administrative Agent as may be necessary for the Borrower and the Administrative Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender’s obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (D), “FATCA” shall include any amendments made to FATCA after the date of this Agreement.

(iii) Each Lender agrees that if any form or certification it previously delivered pursuant to this Section 3.01 expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify the Borrower and the Administrative Agent in writing of its legal inability to do so.

(f) Treatment of Certain Refunds, Etc. Unless required by applicable Laws, at no time shall the Administrative Agent have any obligation to file for or otherwise pursue on behalf of a Lender or the L/C Issuer, or have any obligation to pay to any Lender or the L/C Issuer, any refund of Taxes withheld or deducted from funds paid for the account of such Lender or the L/C Issuer, as the case may be. If any Recipient determines, in its sole discretion exercised in good faith, that it has received a refund or credit in lieu of a refund of any Taxes as to which it has been indemnified by any Loan Party or with respect to which any Loan Party has paid additional amounts pursuant to this Section 3.01, it shall pay to such Loan Party an amount equal to such refund (but only to the extent of indemnity payments made, or additional amounts paid, by a Loan Party under this Section 3.01 with respect to the Taxes giving rise to such refund), net of all out-of-pocket expenses (including Taxes) incurred by such Recipient, and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund), provided that each Loan Party, upon the request of the Recipient, agrees to repay the amount paid over to such Loan Party (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Recipient in the event the Recipient is required to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this subsection, in no event will the applicable Recipient be required to pay any amount to such Loan Party pursuant to this subsection the payment of which would place the Recipient in a less favorable net after-Tax position than such Recipient would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This subsection shall not be construed to require any Recipient to make available its tax returns (or any other information relating to its taxes that it deems confidential) to the Borrower or any other Person.

(g) Survival. Each party's obligations under this Section 3.01 shall survive the resignation or replacement of the Administrative Agent or any assignment of rights by, or the replacement of, a Lender or the L/C Issuer, the termination of the Commitments and the repayment, satisfaction or discharge of all other Obligations.

(h) For the purposes of this Section 3.01, the term "Lender" includes any L/C Issuer and the term "applicable law" includes FATCA.

3.02. Illegality. If any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for any Lender or its applicable Lending Office to make, maintain or fund Loans (whether denominated in Dollars or an Alternative Currency) whose interest is determined by reference to the **Eurocurrency** Rate, or to determine or charge interest rates based upon the **Eurocurrency** Rate, or any Governmental Authority has imposed material restrictions on the authority of such Lender to purchase or sell, or to take deposits of, Dollars or any Alternative Currency in the London or other applicable offshore interbank market, then, on notice thereof by such Lender to the Borrower through the Administrative Agent, (i) any obligation of such Lender to make or continue **Eurocurrency** Rate Loans in the affected currency or currencies or, in the case of Eurocurrency Rate Loans in Dollars, to convert Base Rate Loans to **Eurocurrency** Rate Loans, shall be suspended, and (ii) if such notice asserts the illegality of such Lender making or maintaining Base Rate Loans the interest rate on which is determined by reference to the **Eurocurrency** Rate component of the Base Rate, the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the **Eurocurrency** Rate component of the Base Rate, in each case until such Lender notifies the Administrative Agent and the Borrower that the circumstances giving rise to such determination no longer exist. Upon receipt of such notice, (x) the Borrower shall, upon demand from such Lender (with a copy to the Administrative Agent), prepay or, if applicable and such Loans are denominated in Dollars, convert all **Eurocurrency** Rate Loans of such Lender to Base Rate Loans (the interest rate on which Base Rate Loans of such Lender shall, if necessary to avoid such illegality, be determined by the Administrative Agent without reference to the **Eurocurrency** Rate component of the Base Rate), either on the last day of the Interest Period therefor, if such Lender may lawfully continue to maintain such **Eurocurrency** Rate Loans to such day, or immediately, if such Lender may not lawfully continue to maintain such **Eurocurrency** Rate Loans and (y) if such notice asserts the illegality of such Lender determining or charging interest rates based upon the **Eurocurrency** Rate, the Administrative Agent shall during the period of such suspension compute the Base Rate applicable to such Lender without reference to the **Eurocurrency** Rate component thereof until the Administrative Agent is advised in writing by such Lender that it is no longer illegal for such Lender to determine or charge interest rates based upon the **Eurocurrency** Rate. Upon any such prepayment or conversion, as the case may be, the Borrower shall also pay accrued interest on the amount so prepaid or converted.

3.03. Inability to Determine Rates.

(a) If in connection with any request for a Eurocurrency Rate Loan or a conversion to or continuation thereof, (i) the Administrative Agent determines that (x) deposits (whether in Dollars or an Alternative Currency) are not being offered to banks in the applicable offshore interbank market for such currency for the applicable amount and Interest Period of such Eurocurrency Rate Loan, or (y) adequate and reasonable means do not exist for determining the Eurocurrency Rate for any requested Interest Period with respect to a proposed Eurocurrency Rate Loan (whether denominated in Dollars or an Alternative Currency) or in connection with an existing or proposed Eurocurrency Rate Loan or the Eurocurrency Rate component of the Base Rate, or (ii) the Required Lenders determine that for any reason the Eurocurrency Rate for any requested Interest Period with respect to a proposed Eurocurrency Rate Loan or any conversion or continuation thereof does not adequately and fairly reflect the cost to such Lenders of funding such Loan, the Administrative Agent will promptly so notify the Borrower and each Lender. Thereafter, (A) the obligation of the Lenders to make or maintain Eurocurrency Rate Loans in the affected currency or currencies shall be suspended (to the extent of the affected Eurocurrency Rate Loans or Interest Periods), and (B) in the event of a determination described in the preceding sentence with respect to the Eurocurrency Rate component of the Base Rate, the utilization of the Eurocurrency Rate component in determining the Base Rate shall be suspended, in each case until the Administrative Agent (upon the instruction of the Required Lenders) revokes such notice. Upon receipt of such notice, (1) in the case of Revolving Loans denominated in Dollars, the Borrower may revoke any pending request for a Borrowing of, conversion to or continuation of Eurocurrency Rate Loans or, failing that, will be deemed to have converted such request into a request for a Borrowing of Base Rate Loans in the amount specified therein, and (2) in the event an alternative rate cannot be determined in accordance with clause (b) below, in the case of Revolving Loans denominated in an Alternative Currency, CHF Term A Loans, Euro Term A Loans, Sterling Term A Loans, Yen Term A Loans, Term B-1 Loans denominated in Sterling or Term B-2 Loans, prepay such Loans at the end of the then current Interest Period for such Loans. Upon any such prepayment or conversion, as the case may be, the Borrower shall also pay accrued interest on the amount so prepaid or converted.

(b) Notwithstanding the foregoing, in the case of a request for or conversion or continuation of a Eurocurrency Rate Loan in an Alternative Currency as to which the Administrative Agent or the Required Lenders, as applicable, have made the determination described in clause (a) above (in each case, for the avoidance of doubt, after applying any comparable or successor rate to LIBOR (or other relevant Eurocurrency Rate), if applicable, in accordance with the definition of "Eurocurrency Rate"), (i) the Borrower shall be deemed to have requested a Eurocurrency Rate Loan or conversion or continuation, as applicable, in such Alternative Currency (the "Impacted Loans") with the next shortest Interest Period available as to which no such determination under clause (a) above would be made, and (ii) (x) if no such Interest Period is available, the Administrative Agent and the Borrower, with the agreement of the Lenders, may establish an alternative interest rate that reflects the all-in-cost of funds to the Administrative Agent and the Lenders for funding Loans in the applicable currency and amount, and with the same Interest Period as the Impacted Loans, and (y) if the Administrative Agent, the Borrower and the Lenders are unable to agree on such an alternative rate of interest, the Administrative Agent, with the consent of the Lenders, may establish an alternative interest rate that reflects the all-in-cost of funds to the Administrative Agent and the Lenders for funding Loans in the applicable currency and amount, and with the same Interest Period as the Impacted Loans. Such alternative rate of interest as determined in accordance with clause (ii) above shall apply with respect to the Impacted Loans until (A) the Administrative Agent revokes the notice delivered with respect to the Impacted Loans under clause (a) above, (B) the Required Lenders notify the Administrative Agent and the Borrower that such alternative interest rate does not adequately and fairly reflect the cost to such Lenders of funding the Impacted Loans (in which case the Required Lenders shall determine an appropriate alternative rate of interest in accordance with clause (ii)(y) above), or (C) any Lender determines that any Law has made it unlawful, or that any Governmental Authority has asserted that it is unlawful, for such Lender or its applicable Lending Office to make, maintain or fund Loans whose interest is determined by reference to such alternative rate of interest or to determine or charge interest rates based upon such rate or any Governmental Authority has imposed material restrictions on the authority of such Lender to do any of the foregoing and provides the Administrative Agent and the Borrower written notice thereof, and in the case of subclause (C), the Impacted Loans shall be repaid as provided in subsection (a) above.

3.04. Increased Costs; Reserves on Eurocurrency Rate Loans.

(a) Increased Costs Generally. If any Change in Law shall:

(i) impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, any Lender (except any reserve requirement contemplated by Section 3.04(c), other than as set forth below) or the L/C Issuer;

(ii) subject any Recipient to any Taxes (other than (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes and (C) Connection Income Taxes) on its loans, loan principal, letters of credit, commitments, or other obligations, or its deposits, reserves, other liabilities or capital attributable thereto; or

(iii) impose on any Lender or the L/C Issuer or the London interbank market any other condition, cost or expense (other than Taxes) affecting this Agreement or Eurocurrency Rate Loans made by such Lender or any Letter of Credit or participation therein;

and the result of any of the foregoing shall be to increase the cost to such Lender of making, converting to, continuing or maintaining any Loan the interest on which is determined by reference to the Eurocurrency Rate (or of maintaining its obligation to make any such Loan), or to increase the cost to such Lender or the L/C Issuer of participating in, issuing or maintaining any Letter of Credit (or of maintaining its obligation to participate in or to issue any Letter of Credit), or to reduce the amount of any sum received or receivable by such Lender or the L/C Issuer hereunder (whether of principal, interest or any other amount) then, upon request of such Lender or the L/C Issuer, the Borrower will pay to such Lender or the L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or the L/C Issuer, as the case may be, for such additional costs incurred or reduction suffered.

(b) Capital Requirements. If any Lender or the L/C Issuer determines that any Change in Law affecting such Lender or the L/C Issuer or any Lending Office of such Lender or such Lender's or the L/C Issuer's holding company, if any, regarding capital or liquidity requirements has or would have the effect of reducing the rate of return on such Lender's or the L/C Issuer's capital or on the capital of such Lender's or the L/C Issuer's holding company, if any, as a consequence of this Agreement, the Commitments of such Lender or the Loans made by, or participations in Letters of Credit held by, such Lender, or the Letters of Credit issued by the L/C Issuer, to a level below that which such Lender or the L/C Issuer or such Lender's or the L/C Issuer's holding company could have achieved but for such Change in Law (taking into consideration such Lender's or the L/C Issuer's policies and the policies of such Lender's or the L/C Issuer's holding company with respect to capital adequacy), then from time to time the Borrower will pay to such Lender or the L/C Issuer, as the case may be, such additional amount or amounts as will compensate such Lender or the L/C Issuer or such Lender's or the L/C Issuer's holding company for any such reduction suffered.

(c) Certificates for Reimbursement. A certificate of a Lender or the L/C Issuer setting forth the amount or amounts necessary to compensate such Lender or the L/C Issuer or its holding company, as the case may be, as specified in subsection (a) or (b) of this Section and delivered to the Borrower shall be conclusive absent manifest error. The Borrower shall pay such Lender or the L/C Issuer, as the case may be, the amount shown as due on any such certificate within 10 days after receipt thereof.

(d) Delay in Requests. Failure or delay on the part of any Lender or the L/C Issuer to demand compensation pursuant to the foregoing provisions of this Section shall not constitute a waiver of such Lender's or the L/C Issuer's right to demand such compensation, provided that the Borrower shall not be required to compensate a Lender or the L/C Issuer pursuant to the foregoing provisions of this Section for any increased costs incurred or reductions suffered more than six months prior to the date that such Lender or the L/C Issuer, as the case may be, notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of such Lender's or the L/C Issuer's intention to claim compensation therefor (except that, if the Change in Law giving rise to such increased costs or reductions is retroactive, then the six-month period referred to above shall be extended to include the period of retroactive effect thereof).

(e) Reserves on Eurocurrency Rate Loans. The Borrower shall pay to each Lender, as long as such Lender shall be required to maintain reserves with respect to liabilities or assets consisting of or including Eurocurrency funds or deposits (currently known as "Eurocurrency liabilities"), additional interest on the unpaid principal amount of each Eurocurrency Rate Loan equal to the actual costs of such reserves allocated to such Loan by such Lender (as determined by such Lender in good faith, which determination shall be conclusive), which shall be due and payable on each date on which interest is payable on such Loan, provided that the Borrower shall have received at least 10 days' prior notice (with a copy to the Administrative Agent) of such additional interest from such Lender. If a Lender fails to give notice 10 days prior to the relevant Interest Payment Date, such additional interest shall be due and payable 10 days from receipt of such notice.

3.05. Compensation for Losses. Upon demand of any Lender (with a copy to the Administrative Agent) from time to time, the Borrower shall promptly compensate such Lender for and hold such Lender harmless from any loss, cost or expense incurred by it as a result of:

(a) any continuation, conversion, payment or prepayment of any Loan other than a Base Rate Loan on a day other than the last day of the Interest Period for such Loan (whether voluntary, mandatory, automatic, by reason of acceleration, or otherwise);

(b) any failure by the Borrower (for a reason other than the failure of such Lender to make a Loan) to prepay, borrow, continue or convert any Loan other than a Base Rate Loan on the date or in the amount notified by the Borrower; or

(c) any failure by the Borrower to make payment of any Loan or drawing under any Letter of Credit (or interest due thereon) denominated in an Alternative Currency on its scheduled due date or, in the case of any Loan, any payment thereof in a different currency; or

(d) any assignment of a Eurocurrency Rate Loan on a day other than the last day of the Interest Period therefor as a result of a request by the Borrower pursuant to Section 10.13;

including any loss of anticipated profits, any foreign exchange losses and any loss or expense arising from the liquidation or reemployment of funds obtained by it to maintain such Loan or from fees payable to terminate the deposits from which such funds were obtained or from the performance of any foreign exchange contract. The Borrower shall also pay any customary administrative fees charged by such Lender in connection with the foregoing.

For purposes of calculating amounts payable by the Borrower to the Lenders under this Section 3.05, each Lender shall be deemed to have funded each Eurocurrency Rate Loan made by it at the Eurocurrency Rate for such Loan by a matching deposit or other borrowing in the London or other applicable offshore interbank market for such currency for a comparable amount and for a comparable period, whether or not such Eurocurrency Rate Loan was in fact so funded.

3.06. Mitigation Obligations; Replacement of Lenders

(a) Designation of a Different Lending Office. Each Lender may make any Credit Extension to the Borrower through any Lending Office provided that the exercise of this option shall not affect the obligation of the Borrower to repay the Credit Extension in accordance with the terms of this Agreement. If (i) any Lender requests compensation under Section 3.04, (ii) the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender, the L/C Issuer, or any Governmental Authority for the account of any Lender or the L/C Issuer pursuant to Section 3.01, or (iii) any Lender gives a notice pursuant to Section 3.02, then such Lender or the L/C Issuer shall, as applicable, use reasonable efforts to designate a different Lending Office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder to another of its offices, branches or affiliates, if, in the judgment of such Lender or the L/C Issuer, such designation or assignment (A) would eliminate or reduce the amounts payable pursuant to Sections 3.01 or 3.04, as the case may be, in the future, or eliminate the need for the notice pursuant to Section 3.02, as applicable, and (B) in each case, would not subject such Lender or the L/C Issuer, as the case may be, to any unreimbursed cost or expense and would not otherwise be disadvantageous to such Lender or the L/C Issuer, as the case may be. The Borrower hereby agrees to pay all reasonable costs and expenses incurred by any Lender or the L/C Issuer in connection with any such designation or assignment.

(b) Replacement of Lenders. If any Lender requests compensation under Section 3.04, or if the Borrower is required to pay any Indemnified Taxes or additional amounts to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, and, in each case, such Lender has declined or is unable to designate a different lending office in accordance with Section 3.06(a), the Borrower may replace such Lender in accordance with Section 10.13.

3.07. Survival. All of the Borrower's obligations under this Article III shall survive termination of the Aggregate Commitments, repayment of all other Obligations hereunder, and resignation of the Administrative Agent.

ARTICLE IV.
CONDITIONS PRECEDENT TO CREDIT EXTENSIONS

4.01. Conditions of Initial Credit Extension. The obligations of the L/C Issuer and each Lender to make its initial Credit Extensions hereunder are subject to satisfaction of the following conditions precedent:

- (a) The Administrative Agent's receipt of the following, each of which shall be originals or telecopies (followed promptly by originals) unless otherwise specified, each properly executed by a Responsible Officer of the signing Loan Party, each dated the Closing Date (or, in the case of certificates of governmental officials, a recent date before the Closing Date) and each in form and substance reasonably satisfactory to the Administrative Agent and the Lenders:
- (i) executed counterparts of this Agreement, sufficient in number for distribution to the Administrative Agent, each Lender and the Borrower;
 - (ii) Notes executed by the Borrower in favor of each Lender requesting Notes;
 - (iii) the Pledge and Security Agreement, duly executed by the Loan Parties, together with:
 - (A) certificates representing the Equity Interests of any Domestic Subsidiary pledged pursuant to the Pledge and Security Agreement (to the extent such Equity Interests are certificated) accompanied by undated stock powers executed in blank,
 - (B) proper financing statements in form appropriate for filing under the Uniform Commercial Code of all jurisdictions that the Administrative Agent may deem necessary or desirable in order to perfect the Liens created under the Pledge and Security Agreement, covering the Collateral described in the Pledge and Security Agreement,
 - (C) lien search results, dated as of a recent date prior to the initial Credit Extensions, together with copies of all effective Uniform Commercial Code financing statements filed in the jurisdictions referred to in clause (B) above that name any Loan Party as debtor, and
 - (D) evidence of the completion of all other actions, recordings and filings of or with respect to the Pledge and Security Agreement that the Administrative Agent may deem necessary or desirable in order to perfect the Liens created thereby;
 - (iv) such certificates of resolutions or other action, incumbency certificates and/or other certificates of Responsible Officers of each Loan Party as the Administrative Agent may require evidencing the identity, authority and capacity of each Responsible Officer thereof authorized to act as a Responsible Officer in connection with this Agreement and the other Loan Documents to which such Loan Party is a party;
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(v) such documents and certifications as the Administrative Agent may reasonably require to evidence that each Loan Party is duly organized or formed, and that the Borrower is validly existing, in good standing and qualified to engage in business in each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect;

(vi) a favorable opinion of Orrick, Herrington & Sutcliffe LLP, counsel to the Loan Parties, addressed to the Administrative Agent and each Lender and in form and substance satisfactory to the Administrative Agent;

(vii) a certificate of a Responsible Officer of each Loan Party either (A) attaching copies of all consents, licenses and approvals required in connection with the execution, delivery and performance by such Loan Party and the validity against such Loan Party of the Loan Documents to which it is a party, and such consents, licenses and approvals shall be in full force and effect, or (B) stating that no such consents, licenses or approvals are so required;

(viii) financial projections and forecasts prepared by management of the Borrower and reasonably satisfactory to the Administrative Agent, including consolidated balance sheets and statements of income or operations and cash flows of the Borrower and its Subsidiaries for the five year term of the Facilities;

(ix) a certificate signed by a Responsible Officer of the Borrower certifying (A) that the conditions specified in Sections 4.02(a) and (b) have been satisfied; and (B) that there has been no event or circumstance since the date of the Audited Financial Statements that has had or could be reasonably expected to have, either individually or in the aggregate, a Material Adverse Effect;

(x) a duly completed Compliance Certificate as of the last day of the fiscal quarter of Equinix ended on September 30, 2014 provided that the calculation of the Consolidated Net Lease Adjusted Leverage Ratio shall be on a pro forma basis after giving effect to (A) the Indebtedness incurred (x) hereunder and the use of proceeds thereof on the Closing Date and (y) pursuant to the 5.375% Senior Notes Due 2022 and the 5.750% Senior Notes Due 2025 and (B) the redemption of the 7.00% Senior Notes Due 2021), signed by a Responsible Officer of the Borrower;

(xi) pay-off statements and/or lien release authorizations from (A) the Existing Administrative Agent with respect to interest, fees and expenses under the Existing Credit Agreement and other Existing Loan Documents, and (B) such other secured parties of record shown on any of the financing statements referred to in subclause (iii)(C) above, to the extent such financing statements disclose Liens on the Collateral;

(xii) evidence that all insurance required to be maintained pursuant to the Loan Documents has been obtained and is in effect; and

(xiii) such other assurances, certificates, documents, consents or opinions as the Administrative Agent, the L/C Issuer or the Required Lenders reasonably may require.

(b) Any fees required to be paid to the Administrative Agent, the Left Lead Arranger or the Lenders on or before the Closing Date shall have been paid, including, without limitation, any fees to Lenders as shall have been separately agreed upon in writing in the amounts so specified.

(c) The Borrower shall have paid all reasonable fees, charges and disbursements of counsel to the Administrative Agent (directly to such counsel if requested by the Administrative Agent) to the extent invoiced prior to the Closing Date, plus such additional amounts of such fees, charges and disbursements as shall constitute its reasonable estimate of such fees, charges and disbursements incurred or to be incurred by it through the closing proceedings (provided that such estimate shall not thereafter preclude a final settling of accounts between the Borrower and the Administrative Agent).

(d) The Closing Date shall have occurred on or before December 29, 2014.

Without limiting the generality of the provisions of the penultimate paragraph of Section 9.03, for purposes of determining compliance with the conditions specified in this Section 4.01, each Lender that has signed this Agreement shall be deemed to have consented to, approved or accepted or to be satisfied with, each document or other matter required thereunder to be consented to or approved by or acceptable or satisfactory to a Lender unless the Administrative Agent shall have received notice from such Lender prior to the proposed Closing Date specifying its objection thereto.

4.02. Conditions to All Credit Extensions. The obligation of each Lender to honor any Request for Credit Extension (other than a Loan Notice requesting only a conversion of Loans to the other Type, or a continuation of Eurocurrency Rate Loans) is subject to the following conditions precedent, provided that, if any of the following conditions precedent cannot be satisfied solely as a result of the Borrower's failure to satisfy any of the covenants set forth in Section 7.11, the Required Revolving and Term A Lenders (and the L/C Issuer, in the case of Letters of Credit) may agree to waive such condition for purposes of a Request for Credit Extension for a Revolving Loan or a Letter of Credit:

(a) The representations and warranties of the Borrower and each other Loan Party contained in Article V or any other Loan Document, or which are contained in any document furnished at any time under or in connection herewith or therewith, shall be true and correct in all material respects on and as of the date of such Credit Extension, except (i) for representations and warranties which are qualified by the inclusion of a materiality standard, which representations and warranties shall be true and correct in all respects, and (ii) to the extent that such representations and warranties specifically refer to an earlier date, in which case they shall be true and correct in all material respects as of such earlier date, and except that for purposes of this Section 4.02, the representations and warranties contained in clauses (a) and (b) of Section 5.05 shall be deemed to refer to the most recent statements furnished pursuant to clauses (a) and (b), respectively, of Section 6.01.

(b) No Default or Event of Default shall exist, or would result from such proposed Credit Extension or from the application of the proceeds thereof.

(c) The Administrative Agent and, if applicable, the L/C Issuer shall have received a Request for Credit Extension (or, if the Credit Extension requested is a Loan, telephonic notice followed immediately by delivery of a written Loan Notice) in accordance with the requirements hereof.

(d) In the case of a Credit Extension to be denominated in an Alternative Currency, there shall not have occurred any change in national or international financial, political or economic conditions or currency exchange rates or exchange controls which in the reasonable opinion of the Administrative Agent, the Required Lenders (in the case of any Loans to be denominated in an Alternative Currency) or the L/C Issuer (in the case of any Letter of Credit to be denominated in an Alternative Currency) would make it impracticable for such Credit Extension to be denominated in the relevant Alternative Currency.

Each Request for Credit Extension (other than a Loan Notice requesting only a conversion of Loans to the other Type or a continuation of Eurocurrency Rate Loans) submitted by the Borrower shall be deemed to be a representation and warranty that the conditions specified in Sections 4.02(a) and (b) have been satisfied on and as of the date of the applicable Credit Extension.

ARTICLE V. REPRESENTATIONS AND WARRANTIES

Each of the Borrower and Guarantors represents and warrants to the Administrative Agent and the Lenders that:

5.01. Existence, Qualification and Power. Each Loan Party and each Restricted Subsidiary (a) is duly organized or formed, validly existing and, as applicable, in good standing under the Laws of the jurisdiction of its incorporation or organization, (b) has all requisite power and authority and all requisite governmental licenses, authorizations, consents and approvals to (i) own or lease its assets and carry on its business and (ii) with respect to each such Loan Party only, execute, deliver and perform its obligations under the Loan Documents to which it is a party, and (c) is duly qualified and is licensed and, as applicable, in good standing under the Laws of each jurisdiction where its ownership, lease or operation of properties or the conduct of its business requires such qualification or license; except (x) in each case referred to in clause (b)(i) or (c), to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect, and (y) in the case referred to in clause (a) with respect to any Restricted Subsidiary that is not a Loan Party, to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect.

5.02. Authorization; No Contravention. The execution, delivery and performance by each Loan Party of each Loan Document to which such Person is party, have been duly authorized by all necessary corporate or other organizational action, and do not and will not (a) contravene the terms of any of such Person's Organization Documents; (b) except as could not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect, conflict with or result in any breach or contravention of, or the creation of any Lien under, or require any payment to be made under (i) any Contractual Obligation to which such Person is a party or affecting such Person or the properties of such Person or any of its Subsidiaries or (ii) any order, injunction, writ or decree of any Governmental Authority or any arbitral award to which such Person or its property is subject; or (c) except as could not reasonably be expected to have, either individually or in the aggregate, a Material Adverse Effect, violate any Law.

5.03. Governmental Authorization; Other Consents. No approval, consent, exemption, authorization, or other action by, or notice to, or filing with, any Governmental Authority or any other Person is necessary or required in connection with the execution, delivery or performance by, or enforcement against, any Loan Party of this Agreement or any other Loan Document.

5.04. Binding Effect. This Agreement has been, and each other Loan Document, when delivered hereunder, will have been, duly executed and delivered by each Loan Party that is party thereto. This Agreement constitutes, and each other Loan Document when so delivered will constitute, a legal, valid and binding obligation of such Loan Party, enforceable against each Loan Party that is party thereto in accordance with its terms, except as limited by bankruptcy, insolvency or other laws of general application relating to or affecting the enforcement of creditors' rights generally and general principles of equity.

5.05. Financial Statements; No Material Adverse Effect

(a) The Audited Financial Statements (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein; (ii) fairly present in all material respects the financial condition of Equinix and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby in accordance with GAAP consistently applied throughout the period covered thereby, except, with respect to GAAP application only, as otherwise expressly noted therein; and (iii) show all material indebtedness and other liabilities, direct or contingent, of Equinix and its Subsidiaries as of the date thereof, including liabilities for material taxes, material commitments and Indebtedness.

(b) The unaudited consolidated balance sheets of Equinix and its Subsidiaries dated September 30, 2015, and the related consolidated statements of income or operations, shareholders' equity and cash flows for the fiscal quarter ended on that date (i) were prepared in accordance with GAAP consistently applied throughout the period covered thereby, except as otherwise expressly noted therein, and (ii) fairly present in all material respects the financial condition of Equinix and its Subsidiaries as of the date thereof and their results of operations for the period covered thereby, subject, in the case of clauses (i) and (ii), to the absence of footnotes and to normal year-end audit adjustments.

(c) Since the date of the Audited Financial Statements, there has been no event or circumstance, either individually or in the aggregate, that has had or could reasonably be expected to have a Material Adverse Effect.

5.06. Litigation. Except as disclosed in Equinix's public filings with the SEC prior to the Closing Date, there are no actions, suits, proceedings, claims or disputes pending or, to the knowledge of the Borrower after due and diligent investigation, threatened or contemplated, at law, in equity, in arbitration or before any Governmental Authority, by or against the Borrower or any of its Restricted Subsidiaries or against any of their properties or revenues that (a) purport to affect or pertain to this Agreement or any other Loan Document, or any of the transactions contemplated hereby, or (b) either individually or in the aggregate could reasonably be expected to have a Material Adverse Effect.

5.07. No Default. Neither any Loan Party nor any Restricted Subsidiary is in default under or with respect to any Contractual Obligation that could, either individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. No Default has occurred and is continuing or would result from the consummation of the transactions contemplated by this Agreement or any other Loan Document.

5.08. Ownership of Property; Liens. The Borrower and each of its Restricted Subsidiaries has good record and marketable title in fee simple to, or valid leasehold interests in, all real property necessary or used in the ordinary conduct of its business, except for such defects in title as could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect. The property of the Borrower and its Restricted Subsidiaries is subject to no Liens, other than Liens permitted by Section 7.01. The Loan Party Accounts Receivable are owned by a Loan Party free of any title defects, liens, negative pledges or interests of others, except those which have been granted under the Loan Documents or approved by the Administrative Agent in writing.

5.09. Environmental Compliance. The Borrower conducts in the ordinary course of business a review of the effect of existing Environmental Laws and claims alleging potential liability or responsibility for violation of any Environmental Law on the Borrower and its Restricted Subsidiaries' respective businesses, operations and properties, and as a result thereof the Borrower has reasonably concluded that such Environmental Laws and claims could not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect.

5.10. Insurance. The properties of the Borrower and its Restricted Subsidiaries are insured with financially sound and reputable insurance companies not Affiliates of the Borrower, in such amounts, with such deductibles and retentions and covering such risks as are customarily carried by companies engaged in similar businesses and owning similar properties in localities where the Borrower or its Restricted Subsidiaries operate.

5.11. Taxes. The Borrower and its Restricted Subsidiaries have filed all Federal and state income and other material tax returns and reports required to be filed, and have paid all Federal, state and other material taxes, assessments, fees and other governmental charges levied or imposed upon them or their properties, income or assets otherwise due and payable, except those which are being contested in good faith by appropriate proceedings diligently conducted and for which adequate reserves have been provided in accordance with GAAP or except as could not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. There is no proposed tax assessment against the Borrower or any Subsidiary that would, if made, have a Material Adverse Effect. Neither any Loan Party nor any wholly-owned Subsidiary thereof is party to any tax sharing agreement other than taxing sharing agreements solely among one or more of Equinix and its past or present Affiliates (other than shareholders, directors or officers).

5.12. ERISA Compliance.

(a) Each Plan is in compliance in all material respects with the applicable provisions of ERISA, the Code and other Federal or state laws. Each Pension Plan that is intended to be a qualified plan under [Section 401\(a\)](#) of the Code has received a favorable determination letter (or may rely on an opinion letter) from the Internal Revenue Service to the effect that the form of such Pension Plan is qualified under [Section 401\(a\)](#) of the Code and the trust related thereto has been determined by the Internal Revenue Service to be exempt from federal income tax under [Section 501\(a\)](#) of the Code, or an application for such a letter is currently being processed by the Internal Revenue Service. To the best knowledge of the Borrower, nothing has occurred that would prevent or cause the loss of such tax-qualified status.

(b) There are no pending or, to the best knowledge of the Borrower, threatened claims, actions or lawsuits, or action by any Governmental Authority, with respect to any Plan that could reasonably be expected to have a Material Adverse Effect. There has been no non-exempt prohibited transaction or violation of the fiduciary responsibility rules with respect to any Plan that has resulted or could reasonably be expected to result in a Material Adverse Effect.

(c) (i) No ERISA Event has occurred, and neither the Borrower nor any ERISA Affiliate is aware of any fact, event or circumstance that could reasonably be expected to constitute or result in an ERISA Event with respect to any Pension Plan; (ii) the Borrower and each ERISA Affiliate has met all applicable requirements under the Pension Funding Rules in respect of each Pension Plan, and no waiver of the minimum funding standards under the Pension Funding Rules has been applied for or obtained; (iii) as of the most recent valuation date for any Pension Plan, the funding target attainment percentage (as defined in [Section 430\(d\)\(2\)](#) of the Code) is 60% or higher and none of the Borrower or any ERISA Affiliate knows of any facts or circumstances that could reasonably be expected to cause the funding target attainment percentage for any such plan to drop below 60% as of the most recent valuation date; (iv) none of the Borrower or any ERISA Affiliate has incurred any liability to the PBGC other than for the payment of premiums, and there are no premium payments which have become due that are unpaid; (v) none of the Borrower or any ERISA Affiliate has engaged in a transaction that could be subject to [Section 4069](#) or [Section 4212\(c\)](#) of ERISA; and (vi) no Pension Plan has been terminated by the plan administrator thereof nor by the PBGC, and no event or circumstance has occurred or exists that could reasonably be expected to cause the PBGC to institute proceedings under Title IV of ERISA to terminate any Pension Plan.

5.13. Subsidiaries; Equity Interests. As of the Third Amendment Effective Date (a) the Borrower has no Subsidiaries other than those specifically disclosed in Part (a) of [Schedule 5.13](#) and (b) all of the outstanding Equity Interests in each wholly-owned Subsidiary have been validly issued, are fully paid and nonassessable and are owned by the Borrower or a Subsidiary thereof in the amounts specified on Part (a) of [Schedule 5.13](#) free and clear of all Liens (other than Liens granted pursuant to the Loan Documents or otherwise expressly permitted by [Section 7.01](#)). As of the Third Amendment Effective Date, the Borrower has no equity investments in any other corporation or entity other than (i) investments held in the ordinary course of business in or through money market funds, mutual funds, investment or brokerages accounts and other similar types of investment vehicles and accounts and (ii) those specifically disclosed in Part (b) of [Schedule 5.13](#). All of the outstanding Equity Interests in the Borrower have been validly issued and are fully paid and nonassessable. As of the Third Amendment Effective Date, (x) the Unrestricted Subsidiaries are set forth on [Schedule 6.16](#), (y) the aggregate Attributable Asset Share of all Unrestricted Subsidiaries does not exceed 10% of the consolidated total assets of Equinix and its Subsidiaries, and (z) the aggregate Attributable A/R Share of all Unrestricted Subsidiaries does not exceed 10% of the net accounts receivable of Equinix and its Subsidiaries.

5.14. Margin Regulations; Investment Company Act

(a) None of the Loan Parties is engaged and none will engage, principally or as one of its important activities, in the business of purchasing or carrying margin stock (within the meaning of Regulation U issued by the FRB), or extending credit for the purpose of purchasing or carrying margin stock.

(b) None of the Loan Parties is or is required to be registered as an “investment company” under the Investment Company Act of 1940.

5.15. Disclosure. No report, financial statement, certificate or other information furnished (whether in writing or orally) by or on behalf of any Loan Party to the Administrative Agent, any Lender or any Secured Party in connection with the transactions contemplated hereby and the negotiation of this Agreement or delivered hereunder or under any other Loan Document (in each case, as modified or supplemented by other information so furnished) contains any material misstatement of fact or omits to state any material fact necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading; provided that, (a) with respect to any report, financial statement, certificate or other information (i) concerning Telecity Group plc and its Subsidiaries furnished prior to the consummation of the Telecity Transaction, (ii) concerning Bit-isle Inc. and its Subsidiaries furnished prior to the consummation of the Bit-isle Transaction or (iii) concerning the assets acquired in the Victory Transaction prior to the consummation of the Victory Transaction, the Borrower, in each case, makes such representation only to the best of its knowledge and (b) with respect to projected financial information, the Borrower represents only that such information was prepared in good faith based upon assumptions believed to be reasonable at the time.

5.16. Compliance with Laws. Each Loan Party and each Restricted Subsidiary thereof is in compliance in all material respects with the requirements of all Laws and all orders, writs, injunctions and decrees applicable to it or to its properties, except in such instances in which (a) such requirement of Law or order, writ, injunction or decree is being contested in good faith by appropriate proceedings diligently conducted or (b) the failure to comply therewith, either individually or in the aggregate, could not reasonably be expected to have a Material Adverse Effect.

5.17. Taxpayer Identification Number. Each Loan Party’s true and correct United States taxpayer identification number is set forth on Schedule 10.02.

5.18. Collateral Documents. The provisions of the Collateral Documents are effective to create in favor of the Administrative Agent for the benefit of the Secured Parties a legal, valid and enforceable Lien on all right, title and interest of the respective Loan Parties in the Collateral described therein, subject to no other Liens except to the extent permitted by Section 7.01. Except for (a) the filing of appropriately completed Uniform Commercial Code financing statements in appropriate filing office of the jurisdiction of formation of each Loan Party, (b) the delivery to the Administrative Agent of certificates for certificated pledged Equity Interests, accompanied by undated stock powers duly executed in blank, and (c) in the case of pledged Equity Interests of any Foreign Subsidiary, such filings, registrations, recordations and other actions as may be required by the Laws of the jurisdiction under which such Foreign Subsidiary is organized, no other action is necessary to perfect the Liens created in favor of the Administrative Agent for the benefit of the Secured Parties under the Collateral Documents.

5.19. REIT Status. Equinix (a) qualifies as a REIT (without regard to any election requirement relating to the same) and (b) is in compliance with all other requirements and conditions imposed under the Code to allow it to maintain its status as a REIT.

5.20. OFAC and Sanctions. Neither the Borrower, nor any of its Subsidiaries, nor, to the knowledge of the Borrower or any of its Subsidiaries, any Related Party (a) is an individual or entity currently the subject of any Sanctions or (b) is located, organized or resident in a Designated Jurisdiction. No Loan, nor the proceeds from any Loan, have been used, directly or indirectly, to lend, contribute, provide, or have otherwise been made available to fund, any activity or business in any Designated Jurisdiction or to fund any activity or business of any Person to the extent that Person is located, organized or resident in any Designated Jurisdiction or who is the subject of any Sanctions, or in any other manner that could reasonably be expected to result in any violation of Sanctions by any party to this Agreement or any other Loan Document (including any Secured Party).

5.21. Anti-Corruption Laws. The Borrower, its Subsidiaries, their respective officers and employees, and, to the knowledge of the Borrower, the Borrower's and its Subsidiaries' directors and agents acting within the scope of their relationships with the Borrower or its Subsidiaries, have conducted their businesses in material compliance with applicable Anti-Corruption Laws and have instituted and maintained policies and procedures reasonably designed to promote and achieve compliance with such laws.

5.22. EEA Financial Institutions. No Loan Party is an EEA Financial Institution.

ARTICLE VI. AFFIRMATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan or other Obligation hereunder shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding, the Borrower shall, and shall (except in the case of the covenants set forth in Sections 6.01, 6.02 and 6.03) cause each Restricted Subsidiary to:

6.01. Financial Statements. Deliver to the Administrative Agent and each Lender, in form and detail satisfactory to the Administrative Agent and the Required Lenders:

(a) as soon as available, but in any event within 90 days after the end of each fiscal year of Equinix (or such later date as may be permitted after filing a single applicable request for extension with the SEC and receiving such extension within such 90 days after such fiscal year end, which later date shall not exceed 120 days after such fiscal year end), the audited and unqualified annual consolidated financial statements of Equinix, accompanied by a report and opinion thereon of an independent certified public accountant of nationally recognized standing;

(b) as soon as available, but in any event within 45 days after the end of each fiscal quarter of Equinix (or such later date as may be permitted after filing a single applicable request for extension with the SEC and receiving such extension within such 45 days after such fiscal quarter end, which later date shall not exceed 75 days after such fiscal quarter end) (but excluding the last fiscal quarter of Equinix's fiscal year), quarterly company-prepared consolidated financial statements of Equinix, certified and dated by a Responsible Officer of Equinix; and

(c) copies of the Form 10-K Annual Report and Form 10-Q Quarterly Report for Equinix concurrent with the date of filing with the SEC.

6.02. Certificates; Other Information. Deliver to the Administrative Agent and each Lender, in form and detail reasonably satisfactory to the Administrative Agent and the Required Lenders:

(a) concurrently with the delivery of the financial statements referred to in Sections 6.01(a) and (b), a Compliance Certificate of the Borrower, signed by a Responsible Officer of the Borrower, and setting forth, among other things, (i) the information and computations (in sufficient detail) to establish compliance with all financial covenants at the end of the period covered by the financial statements then being furnished, (ii) the Consolidated Net Lease Adjusted Leverage Ratio for purposes of determining the Applicable Margin, (iii) information regarding the Net Loan Party Accounts Receivable and any Material Domestic Subsidiaries, and (iv) whether there existed as of the date of such financial statements and whether there exists as of the date of the certificate, any Default or Event of Default under this Agreement and, if any such Default or Event of Default exists, specifying the nature thereof and the action the Borrower is taking and proposes to take with respect thereto;

(b) promptly upon any request by the Administrative Agent or any Lender (but no more frequently than twice per each fiscal year of Equinix unless an Event of Default has occurred and is continuing), such other books, records, statements, lists of property and accounts, budgets, forecasts or reports as to the Borrower as the Administrative Agent or such Lender may reasonably request;

(c) promptly after the same are available, copies of each annual report, proxy or financial statement or other report or communication sent to the stockholders of Equinix, and copies of all annual, regular, periodic and special reports and registration statements which the Borrower may file or be required to file with the SEC under Section 13 or 15(d) of the Securities Exchange Act of 1934, and not otherwise required to be delivered to the Administrative Agent pursuant hereto; and

(d) promptly, such additional information regarding the business or financial affairs of the Borrower or any wholly-owned Restricted Subsidiary (and with respect to any non-wholly owned Restricted Subsidiary, such additional information regarding its business or financial affairs as is reasonably available), or compliance with the terms of the Loan Documents, as the Administrative Agent or any Lender may from time to time reasonably request.

Documents required to be delivered pursuant to Section 6.01 or Section 6.02(c) (to the extent any such documents are included in materials otherwise filed with the SEC) may be delivered electronically and if so delivered, shall be deemed to have been delivered on the date (i) on which Equinix posts such documents, or provides a link thereto on its website on the Internet at Equinix's website address of www.equinix.com (or such other website address Equinix may provide to the Administrative Agent and each Lender in writing from time to time); provided that: (i) to the extent the Administrative Agent or any Lender is otherwise unable to receive any such electronically delivered documents, the Borrower shall, upon request by the Administrative Agent or such Lender, deliver paper copies of such documents to such Person until a written request to cease delivering paper copies is given by such Person, and (ii) the Borrower shall notify the Administrative Agent and each Lender (by facsimile or electronic mail) of the posting of any such documents or provide to the Administrative Agent and the Lenders by electronic mail electronic versions (i.e., soft copies) of such documents. The Administrative Agent shall have no obligation to request the delivery of or to maintain paper copies of the documents referred to above, and in any event shall have no responsibility to monitor compliance by the Borrower with any such request by a Lender for delivery, and each Lender shall be solely responsible for requesting delivery to it or maintaining its copies of such documents.

The Borrower and each other Loan Party hereby acknowledges that (A) the Administrative Agent and/or the Left Lead Arranger may, but shall not be obligated to, make available to the Lenders and the L/C Issuer materials and/or information provided by or on behalf of the Borrower hereunder (collectively, "Borrower Materials") by posting the Borrower Materials on DebtDomain, IntraLinks, Syndtrak, ClearPar, or another similar electronic system (the "Platform") and (B) certain of the Lenders (each, a "Public Lender") may have personnel who do not wish to receive material non-public information with respect to the Borrower or their Affiliates, or the respective securities of any of the foregoing, and who may be engaged in investment and other market-related activities with respect to such Persons' securities. The Borrower and each other Loan Party hereby agrees that (w) all Borrower Materials that are to be made available to Public Lenders shall be clearly and conspicuously marked "PUBLIC" which, at a minimum, shall mean that the word "PUBLIC" shall appear prominently on the first page thereof; (x) by marking Borrower Materials "PUBLIC," the Borrower shall be deemed to have authorized the Administrative Agent, the Left Lead Arranger, the L/C Issuer and the Lenders to treat such Borrower Materials as not containing any material non-public information with respect to the Borrower or its securities for purposes of United States Federal and state securities laws (provided, however, that to the extent such Borrower Materials constitute Information, they shall be treated as set forth in Section 10.07); (y) all Borrower Materials marked "PUBLIC" are permitted to be made available through a portion of the Platform designated "Public Side Information;" and (z) the Administrative Agent and the Left Lead Arranger shall be entitled to treat the Borrower Materials that are not marked "PUBLIC" as being suitable only for posting on a portion of the Platform not designated "Public Side Information."

6.03. Notices. Promptly notify the Administrative Agent and each Lender in writing of:

- (a) any Default or Event of Default;
- (b) any Material Adverse Effect, including, to the extent that any of the following could reasonably be expected to result in a Material Adverse Effect: (i) any breach or non-performance of, or any default under, a Contractual Obligation of the Borrower or any Subsidiary; (ii) any dispute, litigation, investigation, proceeding or suspension between the Borrower or any Subsidiary and any Governmental Authority; or (iii) the commencement of, or any material development in, any litigation or proceeding affecting the Borrower or any Subsidiary, including pursuant to any applicable Environmental Laws;
- (c) any change in the Borrower's name, legal structure, place of business, or chief executive office if the Borrower has more than one place of business;
- (d) any ERISA Event; and
- (e) any material change in accounting policies or financial reporting practices by the Borrower, including any determination by the Borrower referred to in Section 2.09(b).

Each notice pursuant to this Section 6.03 shall be accompanied by a statement of a Responsible Officer of the Borrower setting forth details of the occurrence referred to therein and stating what action the Borrower has taken and proposes to take with respect thereto. Each notice pursuant to Section 6.03(a) shall describe with particularity any and all provisions of this Agreement and any other Loan Document that have been breached.

6.04. Payment of Obligations. Pay and discharge, and cause each Restricted Subsidiary to pay and discharge (a) all material tax liabilities, assessments and governmental charges or levies upon it or its properties or assets, unless the same are being contested in good faith by appropriate proceedings diligently conducted and adequate reserves in accordance with GAAP are being maintained by the Borrower; and (b) all lawful claims which, if unpaid, would by law become a Lien upon its property (other than a Lien that is not prohibited by Section 7.01 and could not reasonably be expected to have a Material Adverse Effect).

6.05. Preservation of Existence, Etc. (a) Preserve, renew and maintain in full force and effect its and its Restricted Subsidiaries' legal existence and good standing under the Laws of the jurisdiction of its organization except (i) in the case of a Restricted Subsidiary that is not a Loan Party, to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect or (ii) in a transaction permitted by Sections 7.04 or 7.05; (b) take all reasonable action to maintain all of its and its Restricted Subsidiaries' rights, privileges, permits, licenses and franchises necessary or desirable in the normal conduct of its business, except to the extent that failure to do so could not reasonably be expected to have a Material Adverse Effect; and (c) preserve or renew all of its and its Subsidiaries' registered patents, trademarks, trade names and service marks, the non-preservation of which could reasonably be expected to have a Material Adverse Effect.

6.06. Maintenance of Properties. (a) Maintain, preserve and protect all of its and its Restricted Subsidiaries' material properties and equipment necessary in the operation of its business in good working order and condition, ordinary wear and tear excepted, and (b) make all necessary repairs thereto and renewals and replacements thereof, except in each of the foregoing clauses (a) and (b) where the failure to do so could not reasonably be expected to have a Material Adverse Effect.

6.07. Maintenance of Insurance. Maintain insurance as is customary and usual for the business of the Borrower and each Restricted Subsidiary.

6.08. Compliance with Laws. Comply with the Laws (including any fictitious or trade name statute), regulations, and orders of any government body with authority over the Borrower's or any Restricted Subsidiary's business, except where the failure to comply could not reasonably be expected to have a Material Adverse Effect. The Lenders shall have no obligation to make any advance to the Borrower except in compliance with all applicable laws and regulations and the Borrower shall fully cooperate with the Lenders and the Administrative Agent in complying with all such applicable laws and regulations.

6.09. Books and Records. Maintain adequate books and records, in which full, true and correct entries in conformity with GAAP consistently applied shall be made of all financial transactions and matters involving the assets and business of the Borrower and its Restricted Subsidiaries, as the case may be.

6.10. Inspection Rights. Upon prior advance notice, allow the Administrative Agent, any Lender, and any of their respective agents to inspect the Borrower's and Guarantors' properties and examine and audit their financial records at any reasonable time; provided, however, that (a) unless an Event of Default has occurred and is continuing, no more than two such inspections, examinations and audits may be made the Administrative Agent and the Lenders (acting collectively) per fiscal year of the Borrower, (b) when an Event of Default exists, the Administrative Agent, any Lender, or any of their respective agents may do any of the foregoing (as well as make copies of books and records) at the expense of the Borrower at any reasonable time, and (c) without limiting any of the foregoing, the Borrower shall have the right (if it so elects) to have a representative of the Borrower be present during any discussions with auditors and accountants. If the properties, books or records of the Borrower are in the possession of a third party, the Borrower authorizes that third party to permit the Administrative Agent or its agents to have access to perform inspections or audits and to respond to the Administrative Agent's requests for information concerning such properties, books and records.

6.11. Use of Proceeds. Use the proceeds of the Credit Extensions (a) for working capital, capital expenditures, acquisitions, dividends, distributions, stock buybacks, and the issuance of Letters of Credit, in each case to the extent not prohibited hereunder, (b) to refinance existing Indebtedness of the Borrower and its Subsidiaries, and (c) for other general corporate purposes not in contravention of any Law or of any Loan Document.

6.12. ERISA Plans. Promptly during each year, pay and cause its respective Subsidiaries to pay contributions adequate to meet at least the minimum funding standards under ERISA with respect to each and every Pension Plan; file each annual report required to be filed pursuant to ERISA in connection with each Plan for each year; and notify the Administrative Agent within 10 days of the occurrence of any Reportable Event that might constitute grounds for termination of any Pension Plan by the PBGC or for the appointment by the appropriate United States District Court of a trustee to administer any Pension Plan.

6.13. Protection of Negative Pledge. Take such action as the Administrative Agent may reasonably request (including acting at the direction of the Required Lenders) to protect and enforce the negative pledge in Section 7.12 (including, without limitation, taking such action as is necessary to remove any Lien, encumbrance or negative pledge on the Loan Party Accounts Receivable, except for any Lien, encumbrance or negative pledge that may be granted in favor of the Administrative Agent and the Lenders in connection with this Agreement or any of the other Loan Documents), and, pursuant to Section 10.04, reimburse it for related costs it incurs to protect and enforce such negative pledge.

6.14. Additional Subsidiary Guarantors. Notify the Administrative Agent at the time that any one or more Persons (x) constitutes a Material Domestic Subsidiary (other than a Foreign Subsidiary Holdco) or (y) that is a Subsidiary that is not already a Guarantor hereunder Guarantees any Indebtedness under any Senior Notes Indenture or any other public or privately-placed debt securities issued by the Borrower, and, in each case, promptly thereafter (and in any event within 30 days), cause such Person(s) to become Guarantor(s) hereunder and grant a first priority perfected security interest in its assets of a type constituting Collateral so that after giving effect thereto, the Net Loan Party Accounts Receivable shall constitute at least 90% of all net accounts receivable of Equinix and its Domestic Subsidiaries (after intercompany eliminations and excluding Real Property Lease Accounts), in each case, by (a) executing and delivering to the Administrative Agent a Joinder Agreement and/or such other documents as the Administrative Agent shall deem appropriate for such purpose, and (b) delivering to the Administrative Agent documents of the types referred to in clauses (iii), (iv) and (v) of Section 4.01(a) and favorable opinions of counsel to such Person(s) (which shall cover, among other things, the legality, validity, binding effect and enforceability of the documentation referred to in clauses (a) and (b), as applicable, and no conflict with material agreements), in all such cases of the foregoing clauses (a) and (b), in form, content and scope reasonably satisfactory to the Administrative Agent; provided, however, that, so long as no Default or Event of Default has occurred and is continuing, if any such Person constitutes a Material Domestic Subsidiary (other than a Foreign Subsidiary Holdco) solely as a result of it having been acquired through an Acquisition occurring after the Closing Date and does not otherwise Guarantee Indebtedness under any Senior Notes Indenture or any other public or privately-placed debt securities issued by the Borrower, then such Person shall not be required to become a Guarantor under this Section 6.14 unless such Person constitutes a Material Domestic Subsidiary (other than a Foreign Subsidiary Holdco) at any time on or after the nine month anniversary of such Acquisition, at which time it shall promptly become a Guarantor hereunder in accordance with the preceding provisions of this Section 6.14. In addition, Equinix may, from time to time, elect to cause any Domestic Subsidiary to become a Guarantor in accordance with the preceding clauses (a) and (b) of this Section 6.14. Each Loan Party agrees to take all actions necessary to promptly pledge to the Administrative Agent for the benefit of the Secured Parties all Equity Interests owned by it of each Guarantor joined pursuant to this Section 6.14, including without limitation the delivery of all certificates representing such Equity Interests, accompanied by undated stock powers duly executed in blank, and effecting any necessary or advisable amendments to the Pledge and Security Agreement and/or the Schedules thereto to evidence such pledge.

6.15. Cooperation; Further Assurances. Take any action reasonably requested by the Administrative Agent or any Lender to carry out the intent of this Agreement, including, without limitation, to execute, acknowledge, deliver, record, file, and register any and all such further acts, deeds, certificates, assurances and other instruments as the Administrative Agent, or any Lender through the Administrative Agent, may reasonably require from time to time in order to (a) subject any Loan Party's or any of its Subsidiaries' properties, assets, rights or interests to the Liens now or hereafter intended to be covered by any of the Collateral Documents, (b) perfect and maintain the validity, effectiveness and priority of any of the Collateral Documents and any of the Liens intended to be created thereunder and (c) assure, convey, grant, assign, transfer, preserve, protect and confirm more effectively unto the Secured Parties the rights granted or now or hereafter intended to be granted to the Secured Parties under any Loan Document or under any other instrument executed in connection with any Loan Document to which any Loan Party or any of its Subsidiaries is or is to be a party, and cause each of its Subsidiaries to do so.

6.16. Designation of Unrestricted Subsidiaries. The Borrower may, from time to time, designate one or more Subsidiaries as "Unrestricted Subsidiaries" by giving written notice to the Administrative Agent; provided, however, that (a) in no event may the Borrower designate any Subsidiary as an Unrestricted Subsidiary if, at the time of and immediately after giving effect to such designation, either (i) the Attributable Asset Share of Equinix in all Unrestricted Subsidiaries exceeds 10% of the consolidated total assets of Equinix and its Subsidiaries (based on the most recent consolidated balance sheet of Equinix and its Subsidiaries delivered to the Administrative Agent and the Lenders under Section 6.01(a) or (b)), or (ii) the Attributable A/R Share of Equinix in all Unrestricted Subsidiaries exceeds 10% of the net accounts receivable of Equinix and its Subsidiaries (based on the most recent consolidated balance sheet of Equinix and its Subsidiaries delivered to the Administrative Agent and the Lenders under Section 6.01(a) or (b)), and (b) no Subsidiary (i) that is or is required to become a Guarantor under Section 6.14, (ii) that is not and is not required to become a Guarantor under Section 6.14 but is or is required to become a pledgor of the Equity Interests of a Pledged Subsidiary (a "Pledgor Subsidiary") under any Loan Document, or (iii) whose Equity Interests are or are required to be pledged on or after the Closing Date (a "Pledged Subsidiary") in favor of the Administrative Agent under any Loan Document, as the case may be, may be an Unrestricted Subsidiary. As of the Closing Date, the Unrestricted Subsidiaries are set forth on Schedule 6.16. Any Subsidiary which has been designated as an Unrestricted Subsidiary pursuant to this Section 6.16 may, at any time thereafter, be redesignated as a Restricted Subsidiary by the Borrower; provided, however, that a Subsidiary that has been redesignated as a Restricted Subsidiary as provided in this sentence may not thereafter be designated or redesignated as an Unrestricted Subsidiary.

6.17. Certain Post-Closing Matters. As promptly as practicable after the Closing Date, but in any event within (a) 90 days after the Closing Date, complete all actions, and deliver such documentation (subject to clause (b) below) to the Administrative Agent (including all such foreign-law governed share pledge agreements, certificates, instruments and legal opinions), reasonably required by the Administrative Agent in order to effect, establish, maintain and/or perfect the Administrative Agent's security interest and liens in the Pledged Foreign Subsidiaries (as defined in the Pledge and Security Agreement), including, without limitation, delivery of the items (or otherwise completing the actions) set forth on Schedule 6.17, and (b) 150 days after the Closing Date, complete all necessary registration of any security documents with foreign Governmental Authorities, and deliver evidence thereof to the Administrative Agent.

6.18. Maintenance of REIT Status. In the case of Equinix, at all times conduct its affairs and the affairs of its Subsidiaries in a manner so as to continue to qualify as a REIT for U.S. federal income tax purposes.

6.19. Anti-Corruption Laws and Sanctions Laws. Conduct its businesses in material compliance with applicable Anti-Corruption Laws, and maintain policies and procedures reasonably designed to promote and achieve compliance with such laws and applicable Sanctions by the Borrower, its Subsidiaries and their respective directors, officers, employees and agents.

ARTICLE VII NEGATIVE COVENANTS

So long as any Lender shall have any Commitment hereunder, any Loan (other than, with respect to Section 7.11, any Term B Loan) or other Obligation hereunder (other than, with respect to Section 7.11, any obligations with respect to any Term B Facility) shall remain unpaid or unsatisfied, or any Letter of Credit shall remain outstanding, the Borrower shall not, nor shall it permit any Restricted Subsidiary to, directly or indirectly:

7.01. Liens. Create, incur, assume or suffer to exist any Lien upon any of its property, assets or revenues, whether now owned or hereafter acquired, other than the following:

- (a) Liens pursuant to any Loan Document;
- (b) Liens existing on the date hereof and listed on Schedule 7.01;
- (c) Liens for taxes and assessments not yet delinquent or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person in accordance with GAAP;
- (d) statutory Liens of landlords and Liens of carriers', warehousemen's, mechanics', materialmen's, repairmen's or other like Liens arising in the ordinary course of business which are not overdue for a period of more than 30 days or which are being contested in good faith and by appropriate proceedings diligently conducted, if adequate reserves with respect thereto are maintained on the books of the applicable Person;
- (e) Liens in favor of customs and revenue authorities arising as a matter of law to secure payments of customs duties in connection with the importation of goods;
- (f) pledges or deposits in the ordinary course of business in connection with workers' compensation, unemployment insurance and other social security legislation, other than any Lien imposed by ERISA;
- (g) normal and customary banker's Liens and rights of setoff arising in the ordinary course of business with respect to cash and cash equivalents; provided that such cash and cash equivalents are not dedicated cash collateral in favor of such depository institution and are not otherwise intended to provide collateral security (other than for customary account commissions, fees and reimbursable expenses relating solely to deposit accounts, and for returned items);

- (h) normal and customary rights of setoff and similar Liens arising under bona fide interest rate or currency hedging agreements, which are not for speculative purposes;
- (i) precautionary Uniform Commercial Code financing statements in connection with operating leases permitted hereunder;
- (j) deposits to secure the performance of bids, trade contracts and leases (other than Indebtedness), statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;
- (k) easements, rights-of-way, restrictions and other similar encumbrances affecting real property which, in the aggregate, are not substantial in amount, and which do not in any case materially detract from the value of the property subject thereto or materially interfere with the ordinary conduct of the business of the applicable Person;
- (l) Liens securing judgments for the payment of money not constituting an Event of Default under Section 8.01(j);
- (m) Liens securing Indebtedness in respect of Capital Leases, Synthetic Lease Obligations and purchase money obligations for fixed or capital assets (including the costs of construction, improvement or rehabilitation of such fixed or capital assets); provided that (i) such Liens do not at any time encumber any property other than the property financed by such Indebtedness, and (ii) the Indebtedness secured thereby does not exceed the cost or fair market value, whichever is lower, of the property being acquired on the date of acquisition, or the cost of construction, improvement or rehabilitation of such fixed or capital assets, as applicable;
- (n) leases, subleases, licenses and sublicenses which do not materially interfere with the business of the Borrower or any Subsidiary;
- (o) Liens existing on property or assets of any Person at the time such Person becomes a Subsidiary or such property or assets are acquired, but only, in any such case, (i) if such Lien was not created in contemplation of such Person becoming a Subsidiary or such property or assets being acquired, and (ii) so long as such Lien does not encumber any assets other than the property subject to such Lien at the time such Person becomes a Subsidiary or such property or assets are acquired;
- (p) any renewals, replacements or extensions of the Liens described in clauses (b), (m) or (o) above, provided that (i) the property covered thereby is not expanded, and (ii) the amount secured or benefited thereby is not increased;
- (q) Liens on JV Interests held by a Loan Party or a Subsidiary in JV Entities securing the obligations of such Loan Party or Subsidiary to honor put rights and put options in favor of joint venture partners with respect to the JV Interests held by joint venture partners in such JV Entities, provided that such Liens shall attach only to the JV Interests held by such Loan Party or a Domestic Subsidiary and not to any other assets of such Loan Party or Subsidiary;
- (r) Liens arising in connection with Sale-Leaseback Transactions permitted under Section 7.05(m);

(s) Liens in the form of cash collateral securing reimbursement obligations under bank guarantees, letters of credit and other documentary credits not issued hereunder but permitted by Section 7.03, not to exceed \$50,000,000 in the aggregate;

(t) Liens arising from sales or discounts of accounts receivable to the extent permitted under Section 7.05(h);

(u) Liens granted by (i) any Subsidiary of the Borrower that is not a Loan Party or Pledged Subsidiary in favor of any Restricted Subsidiary or the Borrower or (ii) any Guarantor or Pledged Subsidiary in favor of the Borrower or any Guarantor;

(v) Liens resulting from escrow or deposits of cash required to satisfy “funds certain” or good faith deposit requirements in connection with the Transactions; provided that the aggregate amount of such escrows and deposits of cash secured by such Liens shall not exceed \$2,000,000,000 in the aggregate at any time and (ii) the applicable Liens shall terminate upon the earliest of (x) the consummation of the applicable Transaction (and such dollar limitation shall be reduced by the applicable amount) and (y) the date of the termination or abandonment of such Transaction; and

(w) Liens not otherwise permitted by this Section 7.01 (which do not materially interfere with the respective businesses of the Borrower or any Subsidiary and do not attach to (i) any Collateral or (ii) any Equity Interests of any Real Estate Holding Subsidiaries), if at the time of, and after giving effect to, the creation or assumption of any such Lien, the aggregate of all obligations of the Borrower and its Restricted Subsidiaries secured by any Liens not otherwise permitted hereby, together with the aggregate book value of all Transfers consummated in accordance with the carve-out set forth in clause (n) of Section 7.05 in the then current fiscal year, does not exceed 15% of Adjusted Consolidated Total Assets; provided that the aggregate outstanding amount of all obligations of the Borrower and its Restricted Subsidiaries secured by such Liens does not exceed 10% of Adjusted Consolidated Total Assets.

7.02. Investments. Make any Investments that are Acquisitions, other than Permitted Acquisitions; or make any other material Investments outside of the ordinary course of business, except to the extent that no Default shall have occurred and be continuing at the time of such Investment or would result therefrom.

7.03. Indebtedness. Create, incur, assume or otherwise become directly or indirectly liable for any Indebtedness, except to the extent that no Default shall have occurred and be continuing at the time of, or would result from, the Borrower or such Restricted Subsidiary creating, incurring, assuming or otherwise becoming directly or indirectly liable for such Indebtedness.

7.04. Fundamental Changes.

(a) Enter into any consolidation, merger, or other combination, except so long as no Event of Default has occurred and is continuing or would result therefrom:

(i) any Loan Party may consolidate, merge or combine with any other Loan Party provided that if any such Loan Party is Equinix, Equinix shall be the surviving entity),

(ii) any Loan Party may consolidate, merge or combine with any Subsidiary that is not a Loan Party if such Loan Party is the surviving entity,

(iii) any Subsidiary that is not a Loan Party may consolidate, merge or combine with any Subsidiary that is not a Loan Party, and

(iv) any Loan Party or Subsidiary may consolidate, merge or combine with any Person in connection with a Permitted Acquisition or a transaction permitted by Section 7.05, so long as (1) in the case of a consolidation, merger or combination of a Loan Party with another Person, such Person expressly assumes all Obligations of such Loan Party and grants liens on its assets constituting Collateral (in each case pursuant to documentation satisfactory to the Administrative Agent) if such Person is the surviving entity, and (2) if Equinix is a party to such Permitted Acquisition or transaction permitted by Section 7.05, Equinix shall be the surviving entity; or

(b) liquidate or dissolve any Loan Party's business or any Domestic Subsidiary's business except as may be permitted by Section 7.05(a)(i), Section 7.05(a)(ii), Section 7.05(b) or Section 7.05(c) (but no such liquidation or dissolution shall be permitted for Equinix).

7.05. Maintenance of Assets; Dispositions. Sell, assign, lease, transfer or otherwise Dispose of (collectively, "Transfer") any part of the business or assets of the Borrower or any Restricted Subsidiary, except:

(a) (i) Transfers (including (except in the case of Equinix) any disposition that is in the nature of a liquidation or dissolution) among the Loan Parties or (ii) Transfers (including any disposition that is in the nature of a liquidation or dissolution) by any wholly-owned Subsidiary that is a Guarantor to (1) the Borrower, or (2) any other wholly-owned Subsidiary that is a Guarantor;

(b) Transfers (including any disposition that is in the nature of a liquidation or dissolution) by any Subsidiary that is not a Loan Party to the Borrower or any Subsidiary;

(c) Transfers (including (except in the case of Equinix) any disposition that is in the nature of a liquidation or dissolution) by the Borrower of any Subsidiary other than a Guarantor, not involving a disposition of Collateral, which do not constitute a Change of Control;

(d) leases or subleases of, or occupancy agreements with respect to, real property (including IBX centers);

(e) non-exclusive licenses of intellectual property and similar arrangements for the use of the property of the Loan Parties in the ordinary course of business;

(f) sales of inventory to customers in the ordinary course of business;

- (g) Transfers of cash, cash equivalents and marketable securities in the ordinary course of business, including, without limitation, to a Subsidiary;
- (h) sales or discounts of accounts receivable without recourse in the ordinary course of business (and excluding accounts receivable which have been fully reserved or written off) in connection with accounts receivable that are more than 90 days past due, provided that such sales and discounts, in the aggregate, shall not exceed 5% of the aggregate gross accounts receivables of the Loan Parties prior to the sale or discount at any time;
- (i) Transfers of worn-out, obsolete or surplus equipment no longer used in the ordinary course of business;
- (j) the abandonment or other disposition of intellectual property that is no longer economically practicable to maintain or useful in the conduct of business;
- (k) Transfers of assets subject to a casualty or event of loss covered by insurance following the receipt of insurance proceeds with respect to such casualty or event of loss;
- (l) Transfers constituting Liens permitted under Section 7.01 (except under clause (w) thereof) and Investments or Restricted Payments that are not prohibited by this Agreement;
- (m) Sale-Leaseback Transactions, so long as the aggregate amount of proceeds of all such Sale-Leaseback Transactions consummated following the Closing Date does not exceed \$350,000,000;
- (n) other Transfers not otherwise permitted by this Section 7.05, so long as the aggregate book value of assets so Transferred in any fiscal year of Equinix under this clause (n), together with the aggregate outstanding amount of all obligations of the Borrower and its Restricted Subsidiaries secured at the time of such Transfer by Liens created in accordance with the carve-out set forth in clause (w) of Section 7.01, does not exceed 15% of Adjusted Consolidated Total Assets; provided that the aggregate outstanding amount of all obligations of the Borrower and its Restricted Subsidiaries secured at the time of such Transfer by Liens created in accordance with the carve-out set forth in clause (w) of Section 7.01 does not exceed 10% of Adjusted Consolidated Total Assets;
- (o) Transfers of assets which Transfers are required by Governmental Authorities for their approval of the consummation of the Telecity Transaction;
- (p) Transfers of assets which Transfers are required by Governmental Authorities for their approval of the consummation of the Project Victory Transaction;
and
- (q) the Borrower may Transfer its Equity Interests in EQIX (Global Holdings) to NY3, so long as (i) NY3 is converted to a Delaware corporation prior to such Transfer and (ii) upon such conversion, the Borrower shall (x) grant to the Administrative Agent, for the benefit of the Secured Parties, a continuing security interest in 66% of its Equity Interests in NY3 to secure the Obligations and (y) deliver to the Administrative Agent (A) an updated Schedule II to the Pledge and Security Agreement reflecting the foregoing reorganization and (B) all certificates and instruments representing such pledged Equity Interests, in each case in accordance with the Pledge and Security Agreement, it being understood that immediately before the Transfer of the Equity Interests of EQIX (Global Holdings) to NY3 (but subject to the completion of the actions described in clauses (i) and (ii) above), the Administrative Agent will, at the Borrower's expense, execute and deliver to the Borrower such documents as the Borrower may reasonably request to evidence the release of the Equity Interests of EQIX (Global Holdings) from the security interest granted to the Administrative Agent under the Pledge and Security Agreement and any other Collateral Documents;

provided, however, that (x) notwithstanding the foregoing clauses (a) through (q), inclusive, in no event shall any Loan Party make any Transfers of any of the Loan Party Accounts Receivable, except to the extent permitted in clause (h) above and (y) such Transfers that constitute Asset Sales shall be subject, as applicable, to the prepayment requirements set forth in Section 2.04(c).

7.06. Restricted Payments. Declare or make, directly or indirectly, any Restricted Payment, except:

- (a) any Subsidiary may pay dividends or distributions on its Equity Interests to the Borrower or to any intervening Subsidiary of the Borrower;
- (b) dividends or distributions payable solely in Equity Interests (other than Equity Interests that are mandatorily redeemable or redeemable at the option of the holder thereof on any date that is earlier than 91 days after the Term B-2 Maturity Date in effect at the time of the declaration or making of such dividend or distribution);
- (c) cash payments (i) for repurchases by the Borrower of common stock of the Borrower from officers, directors and employees of the Borrower or any of its Subsidiaries or their authorized representatives upon the death, disability or termination of employment of such employees or termination of their seat on the board of the Borrower, and (ii) in lieu of the issuance of fractional shares in connection with the exercise of warrants, options or other securities convertible into or exchangeable for Equity Interests of the Borrower, in an aggregate amount, for the foregoing sub-clauses (c)(i) and (c)(ii), not to exceed \$5,000,000;
- (d) noncash repurchases of Equity Interests deemed to occur upon the exercise of stock options or warrants if such Equity Interests represent a portion of the exercise price and related statutory withholding taxes of such options or warrants;
- (e) Equinix may (i) issue and deliver Permitted Junior Securities (as defined in the indentures for the Convertible Subordinated Notes (the Convertible Subordinated Notes Indentures")) upon conversion of the Convertible Subordinated Notes in accordance with the terms of the Convertible Subordinated Notes Indentures and (ii) unless (x) an Event of Default described in Section 8.01(a) has occurred and is continuing or (y) a Payment Blockage Period (as defined in the Convertible Subordinated Notes Indentures) is in effect, make (A) regularly scheduled payments of cash interest and, to the extent not prohibited hereunder, mandatory principal payments on the Convertible Subordinated Notes, in each case, in accordance with the terms thereof, and (B) cash Restricted Payments in satisfaction of fractional shares in connection with a conversion of the Convertible Subordinated Notes into Permitted Junior Securities in accordance with the terms of Convertible Subordinated Notes Indentures;
- (f) [reserved];
- (g) so long as (i)(A) Equinix believes in good faith that it qualifies as a REIT, (B) Equinix has not publicly disclosed an intention to no longer be treated as a REIT, and (C) no resolution shall have been adopted by Equinix's board of directors abandoning or otherwise contradicting its intent to elect to be treated as a REIT, or (ii) Equinix is a REIT, Equinix may make cash dividends and distributions to its shareholders notwithstanding that any Default may have occurred and be continuing (x) provided such cash dividends and distributions do not exceed in the aggregate for any period of four consecutive fiscal quarters of Equinix for which financial statements have been delivered to the Administrative Agent under Section 6.01(a) or (b) (or if shorter, the period from December 31, 2014 to the last day of the fiscal quarter for which such financial statements have been delivered), 95% of Funds From Operations for such period or (y) in such greater amount as may be required for Equinix to continue to be qualified as a REIT or to avoid the imposition of income or excise taxes on Equinix; and
- (h) to the extent that no Default shall have occurred and be continuing at the time of such action or would result therefrom, Restricted Payments not otherwise permitted by clauses (a) through (g).

7.07. Change in Nature of Business. Engage in any business activities substantially different from the present business of the Borrower and its Subsidiaries on the date hereof or reasonably related thereto.

7.08. Transactions with Affiliates. Enter into any transaction of any kind with any Affiliate of a Loan Party, whether or not in the ordinary course of business, other than (a) on fair and reasonable terms substantially as favorable to the Borrower or such Restricted Subsidiary, as the case may be, as would be obtainable by the Borrower or such Restricted Subsidiary, as the case may be, at the time in a comparable arm's length transaction with a Person other than an Affiliate, (b) transactions expressly permitted by Section 7.04(a), Section 7.05(a), Section 7.05(b), or, in the case of transactions with Subsidiaries only, Section 7.05(g), (c) transactions solely among Loan Parties, or (d) other individual transactions that do not involve amounts in excess of \$15,000,000 per transaction or series of related transactions.

7.09. Burdensome Agreements. Enter into any Contractual Obligation (other than this Agreement or any other Loan Document) that (a) limits the ability (i) of any Material Domestic Subsidiary or Pledged Subsidiary to make Restricted Payments to the Borrower, any Pledgor Subsidiary or any Guarantor or to otherwise transfer property to the Borrower, any Pledgor Subsidiary or any Guarantor, (ii) of any Material Domestic Subsidiary or any Pledgor Subsidiary to Guarantee the Indebtedness of the Borrower or any Guarantor or (iii) of the Borrower, any Pledgor Subsidiary or any Material Domestic Subsidiary to create, incur, assume or suffer to exist Liens on property of such Person; provided, however, that, so long as the following do not violate Section 7.12, (A) none of the foregoing shall apply to restrictions and conditions imposed by applicable Laws (which (taken as a whole) could not reasonably be expected to have a Material Adverse Effect), (B) none of the foregoing shall apply to customary restrictions and conditions contained in agreements relating to the sale of the assets or Equity Interests permitted under Section 7.05 pending such sale, provided such restrictions and conditions apply only to the Person whose assets or Equity Interests are to be sold, (C) clauses (i) and (iii) shall not apply to restrictions or conditions imposed on specific assets which are the subject of any leases (including Capital Leases) or to customary provisions in leases (including Capital Leases) and other contracts restricting the assignment of such leases and other contracts, (D) clauses (ii) and (iii) shall not apply to the restrictions contained in the Senior Notes Indentures (as such restrictions are in effect on the Second Amendment Effective Date), (E) clauses (ii) and (iii) shall not apply to customary restrictions contained in the documentation relating to financings permitted hereunder, provided that such restrictions shall not restrict (x) any Loan Party's or Material Domestic Subsidiary's ability to grant Liens in favor of the Administrative Agent and Secured Parties (or the Administrative Agent and Secured Party's ability to enforce such Liens) under or in connection with the Loan Documents or (y) any Loan Party's or Material Domestic Subsidiary's ability to guarantee the Obligations and (F) such clause (i) shall not apply to restrictions imposed on Equinix Japan K.K. and its Subsidiaries contained in the documentation relating to the financing of the Bit-isle Transaction (and any subsequent refinancings thereof) provided that any such restrictions shall not limit the ability of any such Persons, so long as no default or event of default has occurred under such financing, to make Restricted Payments in an amount equal to at least 50% of consolidated net income to the Borrower or to such person's Parent, a wholly owned Subsidiary of the Borrower; or (b) requires the grant of a Lien to secure an obligation of such Person if a Lien is granted to secure the Obligations, other than the requirements contained in the Senior Notes Indentures (as such requirements are in effect on the Second Amendment Effective Date).

7.10. Use of Proceeds. Use the proceeds of any Credit Extension, whether directly or indirectly, and whether immediately, incidentally or ultimately, to purchase or carry margin stock (within the meaning of Regulation U of the FRB) or to extend credit to others for the purpose of purchasing or carrying margin stock or to refund indebtedness originally incurred for such purpose.

7.11. Financial Covenants.

(a) Consolidated Fixed Charge Coverage Ratio. Permit the Consolidated Fixed Charge Coverage Ratio as of the end of any fiscal quarter of Equinix to be less than 1.50 to 1.00.

(b) Consolidated Net Lease Adjusted Leverage Ratio. Permit the Consolidated Net Lease Adjusted Leverage Ratio as of the end of any fiscal quarter of Equinix to exceed 6.00 to 1.00.

The provisions of this Section 7.11 are for the benefit of the Term A Lenders, the Revolving Lenders and the L/C Issuer only, except as otherwise provided in Section 8.01(b).

7.12. Negative Pledge. (a) Except as permitted by clause (h) of Section 7.05 or as otherwise expressly pre-approved by the Administrative Agent (at the direction of the Required Lenders) in writing after the date hereof, allow any Person or entity to, sell, transfer, assign, mortgage, pledge, lease, grant a security interest in, or encumber any of the Loan Party Accounts Receivable (or attempt or contract to do so, or otherwise allow, create, permit or suffer any of the foregoing to exist) (for the avoidance of doubt, Loan Party Accounts Receivable do not include any accounts owned by any non-Guarantor Subsidiaries of Equinix), or (b) enter into or suffer to exist or become effective any agreement that prohibits or limits the ability of any Loan Party to create, incur, assume or suffer to exist any Lien or other encumbrance upon any of the Loan Party Accounts Receivable in order to hereafter secure any of its Obligations, other than (i) this Agreement and the other Loan Documents, (ii) the restrictions contained in the Senior Notes Indentures (as such restrictions are in effect on the Second Amendment Effective Date), (iii) customary restrictions on the assignment of leases, licenses and other agreements, and (iv) customary restrictions and conditions contained in any agreement relating to any disposition expressly permitted by clause (h) of Section 7.05.

7.13. Prepayments of Certain Indebtedness. Prepay, redeem, purchase, defease or otherwise satisfy prior to the scheduled maturity thereof in any manner, or make any payment in violation of any subordination terms of, any portion of (a) the 5.375% Senior Notes Due 2022, (b) the 5.750% Senior Notes Due 2025, (c) the 4.875% Senior Notes Due 2020, (d) the 5.375% Senior Notes Due 2023, (e) except in connection with a Special Mandatory Redemption Event, the 5.875% Senior Notes Due 2026, (f) except to the extent provided in [Section 7.06\(e\)](#), any Convertible Subordinated Notes or other Indebtedness that is subordinated to the Obligations, or (g) any other long-term public or privately placed debt securities, or other long-term Indebtedness in an amount in excess of \$100,000,000, of the Borrower or any of its Restricted Subsidiaries, in each case, unless (i) no Default or Event of Default has occurred and is continuing or would result therefrom, and (ii) after giving effect thereto, the sum of (x) the unrestricted cash, cash equivalents, freely tradable and liquid short term-investments and freely tradable and liquid long-term investments of Equinix and its Subsidiaries on a consolidated basis plus (y) the amount by which the Aggregate Revolving Commitments exceeds the Total Revolving Outstandings is at least \$400,000,000.

7.14. Sanctions. Directly or indirectly, use the proceeds of any Credit Extension, or lend, contribute or otherwise make available such proceeds to any Subsidiary, joint venture partner or other Person, to fund any activities of or business with any Person that, at the time of the use of such proceeds, is the subject of Sanctions or is located, organized or resident in any Designated Jurisdiction, or in any other manner that could reasonably be expected to result in a violation of Sanctions by any party to this Agreement or any other Loan Document (including any Secured Party).

7.15. Anti-Corruption Laws. Directly or indirectly use the proceeds of any Credit Extension for any purpose that would materially breach any Anti-Corruption Laws or cause any party to this Agreement or any other Loan Document (including any Secured Party) to be in violation of any applicable Anti-Corruption Laws.

7.16. Foreign Subsidiary Holdcos. No Foreign Subsidiary Holdco shall engage in any business or activity other than (a) the ownership of Equity Interests and Indebtedness of one or more Foreign Subsidiaries or Foreign Subsidiary Holdcos, (b) maintaining its corporate or company existence, (c) participating in tax, accounting and other administrative activities as part of a consolidated group of companies, (d) execution and delivery of any Loan Documents to which it is a party and acknowledgement of any Loan Documents in connection with the pledge of its equity to secure the Secured Obligations and (e) activities incidental to the foregoing.

7.17. Requests for Credit Extensions. Make any Request for Credit Extension pursuant to [Section 4.02](#) at any time that a Default or Event of Default exists, or the Borrower requires a waiver in connection with the potential failure to comply with a provision of a Loan Document that could result in a Default or Event of Default, unless such Default or Event of Default has been waived, or such waiver is approved, by the Required Revolving Lenders.

**ARTICLE VIII.
EVENTS OF DEFAULT AND REMEDIES**

8.01. Events of Default. Any of the following shall constitute an Event of Default:

(a) Non-Payment. The Borrower or any other Loan Party fails to pay (i) when and as required to be paid herein, and in the currency required hereunder, any amount of principal of any Loan or any L/C Obligation, or any interest on any Loan or on any L/C Obligation, or (ii) within three Business Days after the same becomes due, any fee due hereunder or any other amount payable hereunder or under any other Loan Document; or

(b) Covenants. Any Loan Party breaches, or fails to perform or observe, any term, covenant or agreement contained in any of Section 6.01, 6.02, 6.03, 6.05 (as to existence only), 6.10, 6.11, 6.14, 6.16, 6.18, 6.19 or Article VII (including, but not limited to, any financial covenant set forth in Section 7.11; provided, that a breach of Section 7.11 shall not constitute an Event of Default with respect to any Term B Facility unless and until the Administrative Agent shall have declared all amounts outstanding under the Revolving Facility and the Term A Facility, respectively, to be due and payable and all outstanding Revolving Commitments to be terminated, in each case in accordance with this Agreement as a result of such breach, and such declaration has not been rescinded (any such Event of Default with respect to Section 7.11, a “Financial Covenant Event of Default”)); or

(c) Other Breaches. Any Loan Party fails to perform or observe any covenant or agreement (not specified in subsections (a) or (b) above) contained in any Loan Document on its part to be performed or observed and such failure continues for 30 days after the earlier of (i) a Responsible Officer of a Loan Party obtaining knowledge of such failure and (ii) the Administrative Agent or a Lender notifying such Loan Party in writing of such failure; or

(d) Default under Other Loan Documents. Any default or event of default occurs under any other Loan Document or other document required by or delivered in connection with this Agreement (after giving effect to any applicable grace periods) or any such document is no longer in effect, or any Guarantor purports to revoke or disavow a guaranty, including the Multiparty Guaranty, of any of the Obligations; or

(e) Representations and Warranties. Any representation, warranty, certification or statement of fact made or deemed made by or on behalf of the Borrower or any other Loan Party herein, in any other Loan Document, or in any document delivered in connection herewith or therewith shall be incorrect or misleading in any material respect when made or deemed made; or

(f) Cross-Default. (i) Any default occurs under any agreement of the Borrower or its Subsidiaries (other than any agreement entered into by any Unrestricted Subsidiary with respect to Indebtedness of such Unrestricted Subsidiary for which there is no recourse to the Borrower or any Restricted Subsidiary) that permits the counterparty to such agreement to declare to be due and payable prior to the stated maturity thereof an obligation of the Borrower or any of its Subsidiaries of \$50,000,000 or more, individually or in the aggregate for any or all such entities; or (ii) the Borrower or any Subsidiary thereof (x) fails to observe or perform any other agreement or condition relating to any such obligation or contained in any instrument or agreement evidencing, securing or relating thereto, or (y) any other event occurs, the effect of which default or other event is to cause, or to permit the holder or holders of such obligation or the beneficiary or beneficiaries of such obligation (or a trustee or agent on behalf of such holder or holders or beneficiary or beneficiaries) to cause, with the giving of notice if required, such obligation to be demanded or to become due or to be repurchased, prepaid, defeased or redeemed (automatically or otherwise), or an offer to repurchase, prepay, defease or redeem such obligation to be made, prior to its stated maturity, or such obligation to become payable or cash collateral in respect thereof to be demanded, unless, in the case of clause (f)(ii)(y), the Borrower would not be prohibited from prepaying such Indebtedness under Section 7.13, disregarding for this purpose any Default that would otherwise arise under this Section 8.01(f)(ii)(y); or (iii) there occurs under any Swap Contract (other than a Swap Contract entered into by an Unrestricted Subsidiary for which there is no recourse to the Borrower or any Restricted Subsidiary) an Early Termination Date (as defined in such Swap Contract) resulting from (A) any event of default under such Swap Contract as to which the Borrower or any Subsidiary is the Defaulting Party (as defined in such Swap Contract) or (B) any Termination Event (as so defined) under such Swap Contract as to which the Borrower or any Subsidiary is an Affected Party (as so defined) and, in either event, the Swap Termination Value owed by the Borrower or such Subsidiary as a result thereof is \$50,000,000 or more; or

(g) Insolvency Proceedings. Any Loan Party or any Material Subsidiary institutes or consents to the institution of any proceeding under any Debtor Relief Law, or makes an assignment for the benefit of creditors; or any proceeding under any Debtor Relief Law relating to any such Person or to all or any material part of its property is instituted without the consent of such Person and continues undismissed or unstayed for 60 calendar days, or an order for relief is entered in any such proceeding; or

(h) Receivers. A receiver or similar official is appointed for a substantial portion of any Loan Party's or any Material Subsidiary's business, or the business is terminated; or

(i) Inability to Pay Debts; Attachment. (i) Any Loan Party or any Material Subsidiary becomes unable or admits in writing its inability or fails generally to pay its debts as they become due, or (ii) any writ or warrant of attachment or execution or similar process is issued or levied against all or any material part of the property of any such Person and is not released, vacated or fully bonded within 45 days after its issue or levy; or

(j) Judgments. (i) Any judgments or arbitration awards are entered against the Borrower or any Subsidiary thereof (other than, solely with respect to judgments or awards as to which there is no claim or recourse against the Borrower or any Restricted Subsidiary, any Unrestricted Subsidiary) in an aggregate amount of \$50,000,000 or more, and there is a period of 45 consecutive days during which either such judgments or arbitration awards remain unpaid or unsatisfied or a stay of enforcement of such judgments, by reason of a pending appeal, is not in effect; or (ii) any one or more non-monetary final judgments are entered against the Borrower or any Subsidiary thereof that have, or could reasonably be expected to have, individually or in the aggregate, a Material Adverse Effect, and there is a period of 45 consecutive days during which a stay of enforcement of such non-monetary final judgment(s), by reason of a pending appeal, is not in effect; or

(k) ERISA. An ERISA Event occurs with respect to a Pension Plan or Multiemployer Plan which has resulted or could reasonably be expected to result in liability of any Loan Party under Title IV of ERISA to the Pension Plan, Multiemployer Plan or the PBGC in an aggregate amount of \$50,000,000 or more, or (ii) the Borrower or any ERISA Affiliate fails to pay when due, after the expiration of any applicable grace period, any installment payment with respect to its withdrawal liability under Section 4201 of ERISA under a Multiemployer Plan in an aggregate amount of \$50,000,000 or more; or

(l) Invalidity of Loan Documents. The Borrower, any other Loan Party or any Pledged Subsidiary asserts in writing that this Agreement or any other Loan Documents, or part thereof, is invalid, or a court of competent jurisdiction invalidates any part of this Agreement or any other Loan Document; or

(m) Change of Control. A Change of Control occurs.

8.02. Remedies Upon Event of Default

(a) If any Event of Default other than a Financial Covenant Event of Default occurs and is continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Lenders, take any or all of the following actions:

(i) declare the commitment of each Lender to make Loans and any obligation of the L/C Issuer to make L/C Credit Extensions to be terminated, whereupon such commitments and obligations shall be terminated;

(ii) declare the unpaid principal amount of all outstanding Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower and Guarantors;

(iii) require that the Borrower Cash Collateralize the L/C Obligations (in an amount equal to the then Outstanding Amount thereof); and

(iv) exercise on behalf of itself, the Lenders and the L/C Issuer all rights and remedies available to it, the Lenders and the L/C Issuer under the Loan Documents;

provided, however, that upon the occurrence of an actual or deemed entry of an order for relief with respect to any Loan Party under the Bankruptcy Code of the United States, the obligation of each Lender to make Loans and any obligation of the L/C Issuer to make L/C Credit Extensions shall automatically terminate, the unpaid principal amount of all outstanding Loans and all interest and other amounts as aforesaid shall automatically become due and payable, and the obligation of the Borrower to Cash Collateralize the L/C Obligations as aforesaid shall automatically become effective, in each case without further act of the Administrative Agent or any Lender.

(b) If any Financial Covenant Event of Default but no other Event of Default shall have occurred and be continuing, the Administrative Agent shall, at the request of, or may, with the consent of, the Required Revolving and Term A Lenders take any of the actions specified under Sections 8.02(a)(i) through (iv) above, but solely with respect to the Revolving Facility and the Term A Facility (subject to Section 8.02(c) below).

(c) If any Financial Covenant Event of Default but no other Event of Default shall have occurred and be continuing and the Administrative Agent shall have declared all amounts outstanding under the Revolving Facility and the Term A Facility to be due and payable and all outstanding Revolving Commitments to be terminated, in each case in accordance with this Agreement as a result of such Financial Covenant Event of Default, and such declaration has not been rescinded, then the Administrative Agent shall, at the request of, or may, with the consent of, the Required Term B Lenders, (i) declare the unpaid principal amount of all outstanding Term B Loans, all interest accrued and unpaid thereon, and all other amounts owing or payable hereunder or under any other Loan Document in each case to the Term B Lenders to be immediately due and payable, without presentment, demand, protest or other notice of any kind, all of which are hereby expressly waived by the Borrower and Guarantors and (ii) exercise, on behalf of itself and the Lenders, all rights and remedies available to it and the Lenders under the Loan Documents.

8.03. Application of Funds. After the exercise of remedies provided for in Section 8.02 (or after the Loans have automatically become immediately due and payable and the L/C Obligations have automatically been required to be Cash Collateralized as set forth in the proviso to Section 8.02), any amounts received on account of the Secured Obligations shall, subject to the provisions of Sections 2.14 and 2.15, and, in the case of any proceeds of Collateral owned by the Borrower, the Borrower Collateral Limit, be applied by the Administrative Agent in the following order:

First, to payment of that portion of the Secured Obligations constituting fees, indemnities, expenses and other amounts (including fees, charges and disbursements of counsel to the Administrative Agent and amounts payable under Article III) payable to the Administrative Agent in its capacity as such;

Second, to payment of that portion of the Secured Obligations constituting fees, indemnities and other amounts (other than principal, interest and Letter of Credit Fees) payable to the Lenders and the L/C Issuer (including fees, charges and disbursements of counsel to the respective Lenders and the L/C Issuer and amounts payable under Article III), ratably among them in proportion to the respective amounts described in this clause Second payable to them;

Third, to payment of that portion of the Secured Obligations constituting accrued and unpaid Letter of Credit Fees and interest on the Loans, L/C Borrowings and other Secured Obligations arising under the Loan Documents, ratably among the Lenders and the L/C Issuer in proportion to the respective amounts described in this clause Third payable to them;

Fourth, to payment of that portion of the Secured Obligations constituting unpaid principal of the Loans and L/C Borrowings in proportion to the respective amounts described in this clause Fourth held by them;

Fifth, to the Administrative Agent for the account of the L/C Issuer, to Cash Collateralize that portion of L/C Obligations comprised of the aggregate undrawn amount of Letters of Credit to the extent not otherwise Cash Collateralized by the Borrower pursuant to Sections 2.03 and 2.14;

Sixth, to payment of the portion of Secured Obligations then owing under Secured Hedge Agreements and Secured Cash Management Agreements, ratably among the Hedge Banks and the Cash Management Banks; and

Last, the balance, if any, after all of the Secured Obligations have been indefeasibly paid in full, to the Borrower or as otherwise required by Law.

Subject to Sections 2.03(c) and 2.14, amounts used to Cash Collateralize the aggregate undrawn amount of Letters of Credit pursuant to clause Fifth above shall be applied to satisfy drawings under such Letters of Credit as they occur. If any amount remains on deposit as Cash Collateral after all Letters of Credit have either been fully drawn or expired, such remaining amount shall be applied to the other Secured Obligations, in the order set forth above.

Notwithstanding the foregoing, Secured Obligations arising under Secured Cash Management Agreements and Secured Hedge Agreements shall be excluded from the application described above if the Administrative Agent has not received a Secured Party Designation Notice, together with such supporting documentation as the Administrative Agent may request, from the applicable Cash Management Bank or Hedge Bank, as the case may be. Each Cash Management Bank or Hedge Bank not a party to this Agreement that has given the notice contemplated by the preceding sentence shall, by such notice, be deemed to have acknowledged and accepted the appointment of the Administrative Agent pursuant to the terms of Article IX for itself and its Affiliates as if a "Lender" party hereto.

Notwithstanding the foregoing, Excluded Swap Obligations with respect to any Loan Party shall not be paid with amounts received from such Loan Party or its assets, but appropriate adjustments shall be made with respect to payments from other Loan Parties to preserve the allocation to Secured Obligations otherwise set forth above in this Section.

ARTICLE IX. ADMINISTRATIVE AGENT

9.01. Appointment and Authority.

(a) Appointment. Each of the Lenders and the L/C Issuer hereby irrevocably appoints Bank of America to act on its behalf as the Administrative Agent hereunder and under the other Loan Documents and authorizes the Administrative Agent to take such actions on its behalf and to exercise such powers as are delegated to the Administrative Agent by the terms hereof or thereof, together with such actions and powers as are reasonably incidental thereto. The provisions of this Article are solely for the benefit of the Administrative Agent, the Lenders and the L/C Issuer, and neither the Borrower nor any other Loan Party shall have rights as a third party beneficiary of any of such provisions. It is understood and agreed that the use of the term "agent" herein or in any other Loan Documents (or any other similar term) with reference to the Administrative Agent is not intended to connote any fiduciary or other implied (or express) obligations arising under agency doctrine of any applicable Law. Instead such term is used as a matter of market custom, and is intended to create or reflect only an administrative relationship between contracting parties.

(b) Collateral Agent. The Administrative Agent shall also act as the “collateral agent” under the Loan Documents, and each of the Lenders (including, to the extent applicable, in its capacities as a Hedge Bank and a Cash Management Bank) and the L/C Issuer hereby irrevocably appoints and authorizes the Administrative Agent to act as the agent of such Lender and the L/C Issuer for purposes of acquiring, holding and enforcing any and all Liens on Collateral granted by any of the Loan Parties to secure any of the Secured Obligations, together with such powers and discretion as are reasonably incidental thereto. In this connection, the Administrative Agent, as “collateral agent” and any co-agents, sub-agents and attorneys-in-fact appointed by the Administrative Agent pursuant to Section 9.05 for purposes of holding or enforcing any Lien on the Collateral (or any portion thereof) granted under the Collateral Documents, or for exercising any rights and remedies thereunder at the direction of the Administrative Agent, shall be entitled to the benefits of all provisions of this Article IX and Article X (including Section 10.04(c)), as though such co-agents, sub-agents and attorneys-in-fact were the “collateral agent” under the Loan Documents, as if set forth in full herein with respect thereto.

9.02. Rights as a Lender. The Person serving as the Administrative Agent hereunder shall have the same rights and powers in its capacity as a Lender as any other Lender and may exercise the same as though it were not the Administrative Agent and the term “Lender” or “Lenders” shall, unless otherwise expressly indicated or unless the context otherwise requires, include the Person serving as the Administrative Agent hereunder in its individual capacity. Such Person and its Affiliates may accept deposits from, lend money to, own securities of, act as the financial advisor or in any other advisory capacity for and generally engage in any kind of business with the Borrower or any Subsidiary or other Affiliate thereof as if such Person were not the Administrative Agent hereunder and without any duty to account therefor to the Lenders.

9.03. Exculpatory Provisions. The Administrative Agent shall not have any duties or obligations except those expressly set forth herein and in the other Loan Documents, and its duties hereunder shall be administrative in nature. Without limiting the generality of the foregoing, the Administrative Agent:

(a) shall not be subject to any fiduciary or other implied duties, regardless of whether a Default has occurred and is continuing;

(b) shall not have any duty to take any discretionary action or exercise any discretionary powers, except discretionary rights and powers expressly contemplated hereby or by the other Loan Documents that the Administrative Agent is required to exercise as directed in writing by the Required Lenders (or such other number or percentage of the Appropriate Lenders as shall be expressly provided for herein or in the other Loan Documents), provided that the Administrative Agent shall not be required to take any action that, in its opinion or the opinion of its counsel, may expose the Administrative Agent to liability or that is contrary to any Loan Document or applicable law, including for the avoidance of doubt any action that may be in violation of the automatic stay under any Debtor Relief Law or that may effect a forfeiture, modification or termination of property of a Defaulting Lender in violation of any Debtor Relief Law; and

(c) shall not, except as expressly set forth herein and in the other Loan Documents, have any duty to disclose, and shall not be liable for the failure to disclose, any information relating to the Borrower or any of their Affiliates that is communicated to or obtained by the Person serving as the Administrative Agent or any of its Affiliates in any capacity.

The Administrative Agent shall not be liable for any action taken or not taken by it (i) with the consent or at the request of the Required Lenders (or such other number or percentage of the Appropriate Lenders as shall be necessary, or as the Administrative Agent shall believe in good faith shall be necessary, under the circumstances as provided in Sections 10.01 and 8.02) or (ii) in the absence of its own gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and nonappealable judgment. The Administrative Agent shall be deemed not to have knowledge of any Default unless and until notice describing such Default is given in writing to the Administrative Agent by the Borrower, a Lender or the L/C Issuer.

The Administrative Agent shall not be responsible for or have any duty to ascertain or inquire into (i) any statement, warranty or representation made in or in connection with this Agreement or any other Loan Document, (ii) the contents of any certificate, report or other document delivered hereunder or thereunder or in connection herewith or therewith, (iii) the performance or observance of any of the covenants, agreements or other terms or conditions set forth herein or therein or the occurrence of any Default, (iv) the validity, enforceability, effectiveness or genuineness of this Agreement, any other Loan Document or any other agreement, instrument or document, or (v) the satisfaction of any condition set forth in Article IV or elsewhere herein, other than to confirm receipt of items expressly required to be delivered to the Administrative Agent.

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 (x) be obligated to ascertain, monitor or inquire as to whether any Lender or Participant or prospective Lender or Participant is a Disqualified Lender or (y) have any liability with respect to or arising out of any assignment or participation of Loans, or disclosure of confidential information, to any Disqualified Lender.

9.04. Reliance by Administrative Agent. The Administrative Agent shall be entitled to rely upon, and shall not incur any liability for relying upon, any notice, request, certificate, consent, statement, instrument, document or other writing (including any electronic message, Internet or intranet website posting or other distribution), including, without limitation, any representation or warranty contained therein, believed by it to be genuine and to have been signed, sent or otherwise authenticated by the proper Person. The Administrative Agent also may rely upon any statement made to it orally or by telephone and believed by it to have been made by the proper Person, and shall not incur any liability for relying thereon. In determining compliance with any condition hereunder to the making of a Loan, or the issuance, extension, renewal or increase of a Letter of Credit, that by its terms must be fulfilled to the satisfaction of a Lender or the L/C Issuer, the Administrative Agent may presume that such condition is satisfactory to such Lender or the L/C Issuer unless the Administrative Agent shall have received notice to the contrary from such Lender or the L/C Issuer prior to the making of such Loan or the issuance of such Letter of Credit. The Administrative Agent may consult with legal counsel (who may be counsel for the 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.

9.05. Delegation of Duties. The Administrative Agent may perform any and all of its duties and exercise its rights and powers hereunder or under any other Loan Document by or through any one or more sub-agents appointed by the Administrative Agent. The Administrative Agent and any such sub-agent may perform any and all of its duties and exercise its rights and powers by or through their respective Related Parties. The exculpatory provisions of this Article shall apply to any such sub-agent and to the Related Parties of the Administrative Agent and any such sub-agent, and shall apply to their respective activities in connection with the syndication of the credit facilities provided for herein as well as activities as Administrative Agent. The Administrative Agent shall not be responsible for the negligence or misconduct of any sub-agents except to the extent that a court of competent jurisdiction determines in a final and non appealable judgment that the Administrative Agent acted with gross negligence or willful misconduct in the selection of such sub-agents.

9.06. Resignation of Administrative Agent.

(a) The Administrative Agent may at any time give notice of its resignation to the Lenders, the L/C Issuer and the Borrower. Upon receipt of any such notice of resignation, the Required Lenders shall have the right, in consultation with the Borrower, to appoint a successor, which shall be a bank with an office in the United States, or an Affiliate of any such bank with an office in the United States. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days after the retiring Administrative Agent gives notice of its resignation (or such earlier day as shall be agreed by the Required Lenders) (the "Resignation Effective Date"), then the retiring Administrative Agent may (but shall not be obligated to) on behalf of the Lenders and the L/C Issuer, appoint a successor Administrative Agent meeting the qualifications set forth above. Whether or not a successor has been appointed, such resignation shall become effective in accordance with such notice on the Resignation Effective Date.

(b) If the Person serving as Administrative Agent is a Defaulting Lender pursuant to clause (d) of the definition thereof, the Required Lenders may, to the extent permitted by applicable law, by notice in writing to the Borrower and such Person remove such Person as Administrative Agent and, in consultation with the Borrower, appoint a successor. If no such successor shall have been so appointed by the Required Lenders and shall have accepted such appointment within 30 days (or such earlier day as shall be agreed by the Required Lenders) (the "Removal Effective Date"), then such removal shall nonetheless become effective in accordance with such notice on the Removal Effective Date.

(c) With effect from the Resignation Effective Date or the Removal Effective Date (as applicable) (1) the retiring or removed Administrative Agent shall be discharged from its duties and obligations hereunder and under the other Loan Documents (except that in the case of any collateral security held by the Administrative Agent on behalf of the Lenders or the L/C Issuer under any of the Loan Documents, the retiring or removed Administrative Agent shall continue to hold such collateral security until such time as a successor Administrative Agent is appointed) and (2) except for any indemnity payments or other amounts then owed to the retiring or removed Administrative Agent, all payments, communications and determinations provided to be made by, to or through the Administrative Agent shall instead be made by or to each Lender and the L/C Issuer directly, until such time, if any, as the Required Lenders appoint a successor Administrative Agent as provided for above. Upon the acceptance of a successor's appointment as Administrative Agent hereunder, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or removed) Administrative Agent (other than as provided in Section 3.01(g) and other than any rights to indemnity payments or other amounts owed to the retiring or removed Administrative Agent as of the Resignation Effective Date or the Removal Effective Date, as applicable), and the retiring or removed Administrative Agent shall be discharged from all of its duties and obligations hereunder or under the other Loan Documents (if not already discharged therefrom as provided above in this Section). The fees payable by the Borrower to a successor Administrative Agent shall be the same as those payable to its predecessor unless otherwise agreed between the Borrower and such successor. After the retiring or removed Administrative Agent's resignation or removal hereunder and under the other Loan Documents, the provisions of this Article and Section 10.04 shall continue in effect for the benefit of such retiring or removed Administrative Agent, its sub agents and their respective Related Parties in respect of any actions taken or omitted to be taken by any of them while the retiring or removed Administrative Agent was acting as Administrative Agent.

9.07. Non-Reliance on Administrative Agent and Other Lenders. Each Lender and the L/C Issuer acknowledges that it has, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender and the L/C Issuer also acknowledges that it will, independently and without reliance upon the Administrative Agent or any other Lender or any of their Related Parties and based on such documents and information as it shall from time to time deem appropriate, continue to make its own decisions in taking or not taking action under or based upon this Agreement, any other Loan Document or any related agreement or any document furnished hereunder or thereunder.

9.08. No Other Rights or Duties, Etc. Anything herein to the contrary notwithstanding, no Joint Lead Arranger nor any bookrunner, syndication agent or documentation agents listed on the cover page hereof shall have any rights, privileges, powers, duties or responsibilities under this Agreement or any of the other Loan Documents, except (a) in the case of any such Person, in its capacity, as applicable, as the Administrative Agent, a Lender or the L/C Issuer hereunder and (b) in the case of the Joint Lead Arrangers, as set forth in the Fee Letters.

9.09. Administrative Agent May File Proofs of Claim; Credit Bidding In case of the pendency of any proceeding under any Debtor Relief Law or any other judicial proceeding relative to any Loan Party, the Administrative Agent (irrespective of whether the principal of any Loan or L/C Obligation shall then be due and payable as herein expressed or by declaration or otherwise and irrespective of whether the Administrative Agent shall have made any demand on the Borrower) shall be entitled and empowered, by intervention in such proceeding or otherwise:

(a) to file and prove a claim for the whole amount of the principal and interest owing and unpaid in respect of the Loans, L/C Obligations and all other Secured Obligations that are owing and unpaid and to file such other documents as may be necessary or advisable in order to have the claims of the Lenders, the L/C Issuer and the Administrative Agent (including any claim for the reasonable compensation, expenses, disbursements and advances of the Lenders, the L/C Issuer and the Administrative Agent and their respective agents and counsel and all other amounts due the Lenders, the L/C Issuer and the Administrative Agent under Sections 2.03(i) and (j), 2.08 and 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 and the L/C Issuer to make such payments to the Administrative Agent and, in the event that the Administrative Agent shall consent to the making of such payments directly to the Lenders and the L/C Issuer, to pay to the Administrative Agent any amount due for the reasonable compensation, expenses, disbursements and advances of the Administrative Agent and its agents and counsel, and any other amounts due the Administrative Agent under Sections 2.08 and 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 or the L/C Issuer any plan of reorganization, arrangement, adjustment or composition affecting the Secured Obligations or the rights of any Lender or the L/C Issuer to authorize the Administrative Agent to vote in respect of the claim of any Lender or the L/C Issuer in any such proceeding.

The Loan Parties and the Secured Parties hereby irrevocably authorize the Administrative Agent, based upon the instruction of the Required Lenders, to (a) credit bid and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral at any sale thereof conducted under the provisions of the Bankruptcy Code, including under Section 363 of the Bankruptcy Code or any similar Laws in any other jurisdictions to which a Loan Party is subject, or (b) credit bid and in such manner purchase (either directly or through one or more acquisition vehicles) all or any portion of the Collateral at any other sale or foreclosure conducted by (or with the consent or at the direction of) the Administrative Agent (whether by judicial action or otherwise) in accordance with applicable Law. In connection with any such credit bid and purchase, the Secured Obligations owed to the Secured Parties shall be entitled to be, and shall be, credit bid ratably, after giving effect to the priorities outlined in the waterfall of payment in Section 8.03 above (with Secured Obligations with respect to contingent or unliquidated claims (excluding L/C Obligations and other contingent or unliquidated claims of a fixed or readily determinable amount) being disregarded for such purpose), and the Secured Parties whose Secured Obligations are credit bid shall be entitled to receive interests (ratably based upon the proportion of their Secured Obligations credit bid in relation to the aggregate amount of Secured Obligations so credit bid) in the asset or assets so purchased (or in the Equity Interests of the acquisition vehicle or vehicles that are used to consummate such purchase). Except as provided above and otherwise expressly provided for herein or in the other Collateral Documents, the Administrative Agent will not execute and deliver a release of any Lien on any Collateral. Upon request by the Administrative Agent or the Borrower at any time, the Secured Parties will confirm in writing the Administrative Agent's authority to release any such Liens on particular types or items of Collateral pursuant to this Section 9.09.

9.10. Collateral and Multiparty Guaranty Matters. Each of the Lenders (including to the extent applicable, in its capacities as a Cash Management Bank and a Hedge Bank) and the L/C Issuer irrevocably authorize the Administrative Agent, at its option and in its discretion:

(a) to release any Lien on any property (including on any Equity Securities of Subsidiaries) granted to or held by the Administrative Agent under any Loan Document (i) upon the Facility Termination Date, (ii) that is sold, transferred or otherwise disposed of or to be sold, transferred or otherwise disposed of as part of or in connection with any sale, transfer or other disposition permitted hereunder or under any other Loan Document, (iii) consisting of an instrument, if the Indebtedness evidenced thereby has been paid in full, (iv) consisting of Real Property Lease Accounts or of the Equity Interests in Real Estate Holding Subsidiaries, if requested by a Loan Party in connection with the incurrence by any Loan Party of any Indebtedness secured primarily by real property, to the extent such Indebtedness (and the Lien securing such Indebtedness) is permitted hereunder or to the extent that a Lien on such Equity Interests in favor of the Administrative Agent is not permitted thereunder (but, for the avoidance of doubt, no Lien on such Equity Interests shall be granted in favor of the provider of such Indebtedness), or (v) if approved, authorized or ratified in writing by the Required Lenders (or all Lenders to the extent required under Section 10.01) in accordance with Section 10.01; and

(b) to release any Guarantor from its obligations under the Multiparty Guaranty if such Person ceases to be a Subsidiary as a result of a transaction permitted under the Loan Documents.

Upon request by the Administrative Agent at any time, the Required Lenders will confirm in writing the Administrative Agent's authority to release or subordinate its interest in particular types or items of property, or to release any Guarantor from its obligations under the Multiparty Guaranty pursuant to this Section 9.10. In each case as specified in this Section 9.10, the Administrative Agent will, at the Borrower's expense, execute and deliver to the applicable Loan Party such documents as such Loan Party may reasonably request to evidence the release of such item of Collateral from the assignment and security interest granted under the Collateral Documents or to subordinate its interest in such item, or to release such Guarantor from its obligations under the Multiparty Guaranty, in each case in accordance with the terms of the Loan Documents and this Section 9.10.

The Administrative Agent shall not be responsible for or have a duty to ascertain or inquire into any representation or warranty regarding the existence, value or collectability of the Collateral, the existence, priority or perfection of the Administrative Agent's Lien thereon, or any certificate prepared by any Loan Party in connection therewith, nor shall the Administrative Agent be responsible or liable to the Lenders for any failure to monitor or maintain any portion of the Collateral.

9.11. Secured Cash Management Agreements and Secured Hedge Agreements. Except as otherwise expressly set forth herein, no Cash Management Bank or Hedge Bank that obtains the benefit of the provisions of Section 8.03, the Multiparty Guaranty or any Collateral by virtue of the provisions hereof or any Collateral Document shall have any right to notice of any action or to consent to, direct or object to any action hereunder or under any other Loan Document or otherwise in respect of the Collateral (including the release or impairment of any Collateral) (or to notice of or to consent to any amendment, waiver or modification of the provisions hereof or of the Multiparty Guaranty or any Collateral Document) other than in its capacity as a Lender and, in such case, only to the extent expressly provided in the Loan Documents. Notwithstanding any other provision of this Article IX to the contrary, the Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Secured Obligations arising under Secured Cash Management Agreements and Secured Hedge Agreements except to the extent expressly provided herein and unless the Administrative Agent has received a Secured Party Designation Notice of such Secured Obligations, together with such supporting documentation as the Administrative Agent may request, from the applicable Cash Management Bank or Hedge Bank, as the case may be. The Administrative Agent shall not be required to verify the payment of, or that other satisfactory arrangements have been made with respect to, Secured Obligations arising under Secured Cash Management Agreements and Secured Hedge Agreements in the case of a Facility Termination Date.

**ARTICLE X.
MISCELLANEOUS**

10.01. **Amendments, Etc.** No amendment or waiver of any provision of this Agreement or any other Loan Document, and no consent to any departure by the Borrower or any other Loan Party therefrom, shall be effective unless in writing signed by the Required Lenders and the Borrower or the applicable Loan Party, as the case may be, and acknowledged by the Administrative Agent, and each such waiver or consent shall be effective only in the specific instance and for the specific purpose for which given; provided, however, that no such amendment, waiver or consent shall:

- (a) waive any condition set forth in Section 4.01(a) without the written consent of each Lender;
- (b) extend or increase the Commitment of any Lender (or reinstate any Commitment terminated pursuant to Section 8.02) without the written consent of such Lender;
- (c) postpone any date fixed by this Agreement or any other Loan Document for any payment of principal, interest, fees or other amounts due to the Lenders (or any of them) hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby;

(d) reduce the principal of, or the rate of interest specified herein on, any Loan or L/C Borrowing, or (subject to clause (iv) of the second proviso to this Section 10.01) any fees or other amounts payable hereunder or under any other Loan Document without the written consent of each Lender directly affected thereby; provided, however, that (i) only the consent of the Required Lenders shall be necessary to amend the definition of “Default Rate” or to waive any obligation of the Borrower to pay interest or Letter of Credit Fees at the Default Rate and (ii) only the consent of the Required Revolving and Term A Lenders shall be necessary to amend any financial covenant hereunder (or any defined term used therein) even if the effect of such amendment would be to reduce the rate of interest on any Loan or L/C Borrowing or to reduce any fee payable hereunder;

(e) change (i) Sections 2.12 or 8.03 in a manner that would alter the pro rata sharing of payments required thereby without the written consent of each Lender or (ii) the order of application of any reduction in the Commitments or any prepayment of Loans among the Facilities from the application thereof set forth in the applicable provisions of Section 2.04(c) or 2.05(b), respectively, in any manner that materially and adversely affects the Lenders under a Facility without the written consent of (x) if such Facility is the Revolving Facility, the Required Revolving Lenders, (y) if such Facility is the Term A Facility, the Required Term A Lenders, and (z) if such Facility is the Term B Facility, the Required Term B Lenders;

(f) (i) change any provision of this Section 10.01 or the definition of “Required Lenders” or any other provision hereof specifying the number or percentage of Lenders required to amend, waive or otherwise modify any rights hereunder or make any determination or grant any consent hereunder (other than the definitions specified in clause (ii) of this Section 10.01(f)), without the written consent of each Lender or (ii) the definition of “Required Revolving and Term A Lenders”, “Required Revolving Lenders”, “Required Term A Lenders”, or “Required Term B Lenders” without the written consent of each Lender under the applicable Facilities or Facility;

(g) (i) amend Section 1.06 or the definition of “Alternative Currency” other than to eliminate currencies available to be utilized as Alternative Currencies without the written consent of each Lender, or (ii) amend the first parenthetical appearing in definition of “Interest Period” other than to eliminate such parenthetical or any period set forth in such parenthetical without the written consent of each Lender; or

(h) release all or substantially all of the Collateral or all or substantially all of the value of the Multiparty Guaranty without the written consent of each Lender, except to the extent the release of any Guarantor is permitted pursuant to Section 9.10 (in which case such release may be made by the Administrative Agent acting alone);

Notwithstanding anything to the contrary in this Section 10.01 or in any other provision of this Agreement or any other Loan Document:

(i) the Borrower and the Required Revolving and Term A Lenders may, without the consent of any other Lender, amend Section 7.11 (or any defined term used therein or in the definitions of such defined terms) or waive or grant a forbearance with respect to a Default or Event of Default resulting from a breach of any provision of such Section;

- (ii) no amendment, waiver or consent shall, unless in writing and signed by the L/C Issuer in addition to the Lenders required above, affect the rights or duties of the L/C Issuer under this Agreement or any Issuer Document relating to any Letter of Credit issued or to be issued by it;
- (iii) the definition of "Letter of Credit Sublimit" may be amended with only the consent of the Borrower, the Administrative Agent, the L/C Issuer and the Required Revolving Lenders;
- (iv) this Agreement may be amended as contemplated by clause (ii) of Section 2.13(e) in connection with the addition of a new term loan tranche with the consent of only the Administrative Agent, the Lenders providing such Term Loan and the Borrower;
- (v) no amendment, waiver or consent shall, unless in writing and signed by the Administrative Agent in addition to the Lenders required above, affect the rights or duties of the Administrative Agent under this Agreement or any other Loan Document;
- (vi) each Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto;
- (vii) the Administrative Agent and the Borrower may amend any Loan Document to (1) cure any ambiguity, omission, mistake, defect or inconsistency, in each case, of a technical nature or (2) make any change that would add or make more restrictive any covenant of the Loan Parties or provide an additional right or benefit to the Lenders or the L/C Issuer, so long as, in each case, (x) such changes shall not be adverse to the Lenders or the L/C Issuer, (y) the Lenders and the L/C Issuer shall have received at least five (5) Business Days' prior written notice thereof and (z) the Administrative Agent shall not have received, within five (5) Business Days following the date of such notice to the Lenders, written notice from (I) the Required Lenders stating that the Required Lenders object to such amendment or (II) if affected by such amendment, L/C Issuer stating that it objects to such amendment;
- (viii) this Agreement may be amended by an Extension Amendment or a Refinancing Amendment as contemplated by and in accordance with Section 2.16 or Section 2.17 with the consent of only the Borrower, the Administrative Agent, the L/C Issuer (to the extent the terms of this Section 10.01 would require the L/C Issuer for the amendments effected in such Extension Amendment) and each (1) Extending Lender, in the case of an Extension Amendment, or (2) each applicable Credit Agreement Refinancing Facility Lender, in the case of a Refinancing Amendment;
- (ix) only the written consent of the Administrative Agent shall be required for purposes of amending, waiving or otherwise modifying Section 6.17 or Schedule 6.17;
- (x) no Defaulting Lender shall have any right to approve or disapprove any amendment, waiver or consent hereunder (and any amendment, waiver or consent which by its terms requires the consent of all Lenders or each affected Lender may be effected with the consent of the applicable Lenders other than Defaulting Lenders), except that (x) the Commitment of any Defaulting Lender may not be increased or extended without the consent of such Lender and (y) any waiver, amendment or modification requiring the consent of all Lenders or each affected Lender that by its terms affects any Defaulting Lender more adversely than other affected Lenders shall require the consent of such Defaulting Lender; and
- (xi) any Lender may exchange, continue or rollover all or a portion of its Loans in connection with any refinancing, extension, loan modification or similar transaction permitted by the terms of this Agreement, pursuant to a cashless settlement mechanism approved by the Borrower, the Administrative Agent and such Lender.

10.02. Notices; Effectiveness; Electronic Communication.

(a) Notices Generally. Except in the case of notices and other communications expressly permitted to be given by telephone (and except as provided in subsection (b) below), all notices and other communications provided for herein shall be in writing and shall be delivered by hand or overnight courier service, mailed by certified or registered mail or sent by facsimile as follows, and all notices and other communications expressly permitted hereunder to be given by telephone shall be made to the applicable telephone number, as follows:

(i) if to the Borrower or any other Loan Party, the Administrative Agent or the L/C Issuer, to the address, facsimile number, electronic mail address or telephone number specified for such Person on Schedule 10.02; and

(ii) if to any other Lender, to the address, facsimile number, electronic mail address or telephone number specified in its Administrative Questionnaire (including, as appropriate, notices delivered solely to the Person designated by a Lender on its Administrative Questionnaire then in effect for the delivery of notices that may contain material non-public information relating to the Borrower).

Notices and other communications sent by hand or overnight courier service, or mailed by certified or registered mail, shall be deemed to have been given when received; notices and other communications sent by facsimile shall be deemed to have been given when sent (except that, if not given during normal business hours for the recipient, shall be deemed to have been given at the opening of business on the next Business Day for the recipient). Notices and other communications delivered through electronic communications to the extent provided in subsection (b) below, shall be effective as provided in such subsection (b).

(b) Electronic Communications. Notices and other communications to the Lenders and the L/C Issuer hereunder may be delivered or furnished by electronic communication (including e-mail, FpML messaging, and Internet or intranet websites) pursuant to procedures approved by the Administrative Agent, provided that the foregoing shall not apply to notices to any Lender or the L/C Issuer pursuant to Article II if such Lender or the L/C Issuer, as applicable, has notified the Administrative Agent that it is incapable of receiving notices under such Article by electronic communication. The Administrative Agent or the Borrower may, in its respective discretion, agree to accept notices and other communications to it hereunder by electronic communications pursuant to procedures approved by it, provided that approval of such procedures may be limited to particular notices or communications.

Unless the Administrative Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgement from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgement), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor; provided that, for both clauses (i) and (ii), if such notice, email or other communication is not sent during the normal business hours of the recipient, such notice, email or communication shall be deemed to have been sent at the opening of business on the next business day for the recipient.

(c) The Platform. THE PLATFORM IS PROVIDED “AS IS” AND “AS AVAILABLE.” THE AGENT PARTIES (AS DEFINED BELOW) DO NOT WARRANT THE ACCURACY OR COMPLETENESS OF THE BORROWER MATERIALS OR THE ADEQUACY OF THE PLATFORM, AND EXPRESSLY DISCLAIM LIABILITY FOR ERRORS IN OR OMISSIONS FROM THE BORROWER MATERIALS. NO WARRANTY OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, INCLUDING ANY WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, NON-INFRINGEMENT OF THIRD PARTY RIGHTS OR FREEDOM FROM VIRUSES OR OTHER CODE DEFECTS, IS MADE BY ANY AGENT PARTY IN CONNECTION WITH THE BORROWER MATERIALS OR THE PLATFORM. In no event shall the Administrative Agent or any of its Related Parties (collectively, the “Agent Parties”) have any liability to the Borrower, any Lender, the L/C Issuer or any other Person for losses, claims, damages, liabilities or expenses of any kind (whether in tort, contract or otherwise) arising out of the Borrower’s or the Administrative Agent’s transmission of Borrower Materials or notices through the platform, any other electronic platform or electronic messaging service, or through the Internet, except to the extent that such losses, claims, damages, liabilities or expenses are determined by a court of competent jurisdiction by a final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Agent Party; provided, however, that in no event shall any Agent Party have any liability to the Borrower, any Lender, the L/C Issuer or any other Person for indirect, special, incidental, consequential or punitive damages (as opposed to direct or actual damages).

(d) Change of Address, Etc. The Borrower, the Administrative Agent and the L/C Issuer may change its respective address, facsimile or telephone number for notices and other communications hereunder by notice to the other parties hereto. Each other Lender may change its address, facsimile or telephone number for notices and other communications hereunder by notice to the Borrower, the Administrative Agent and the L/C Issuer. In addition, each Lender agrees to notify the Administrative Agent from time to time to ensure that the Administrative Agent has on record (i) an effective address, contact name, telephone number, facsimile number and electronic mail address to which notices and other communications may be sent and (ii) accurate wire instructions for such Lender. Furthermore, each Public Lender agrees to cause at least one individual at or on behalf of such Public Lender to at all times have selected the “Private Side Information” or similar designation on the content declaration screen of the Platform in order to enable such Public Lender or its delegate, in accordance with such Public Lender’s compliance procedures and applicable Law, including United States Federal and state securities Laws, to make reference to Borrower Materials that are not made available through the “Public Side Information” portion of the Platform and that may contain material non-public information with respect to the Borrower or its securities for purposes of United States Federal or state securities laws.

(e) Reliance by Administrative Agent, L/C Issuer and Lenders. The Administrative Agent, the L/C Issuer and the Lenders shall be entitled to rely and act upon any notices (including telephonic notices, Loan Notices and Letter of Credit Applications) purportedly given by or on behalf of the Borrower or any Guarantor even if (i) such notices were not made in a manner specified herein, were incomplete or were not preceded or followed by any other form of notice specified herein, or (ii) the terms thereof, as understood by the recipient, varied from any confirmation thereof. The Borrower shall indemnify the Administrative Agent, the L/C Issuer, each Lender and the Related Parties of each of them from all losses, costs, expenses and liabilities resulting from the reliance by such Person on each notice purportedly given by or on behalf of the Borrower or any Guarantor. All telephonic notices to and other telephonic communications with the Administrative Agent may be recorded by the Administrative Agent, and each of the parties hereto hereby consents to such recording.

10.03. No Waiver; Cumulative Remedies; Enforcement. No failure by any Lender, the L/C Issuer or the Administrative Agent to exercise, and no delay by any such Person in exercising, any right, remedy, power or privilege hereunder or under any other Loan Document shall operate as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power or privilege. The rights, remedies, powers and privileges herein provided, and provided under each other Loan Document, are cumulative and not exclusive of any rights, remedies, powers and privileges provided by law.

Notwithstanding anything to the contrary contained herein or in any other Loan Document, the authority to enforce rights and remedies hereunder and under the other Loan Documents against the Loan Parties or any of them shall be vested exclusively in, and all actions and proceedings at law in connection with such enforcement shall be instituted and maintained exclusively by, the Administrative Agent in accordance with Section 8.02 for the benefit of all the Lenders and the L/C Issuer; provided, however, that the foregoing shall not prohibit (a) the Administrative Agent from exercising on its own behalf the rights and remedies that inure to its benefit (solely in its capacity as Administrative Agent) hereunder and under the other Loan Documents, (b) the L/C Issuer from exercising the rights and remedies that inure to its benefit (solely in its capacity as L/C Issuer) hereunder and under the other Loan Documents, (c) any Lender from exercising setoff rights in accordance with Section 10.08 (subject to the terms of Section 2.12), or (d) any Lender from filing proofs of claim or appearing and filing pleadings on its own behalf during the pendency of a proceeding relative to any Loan Party under any Debtor Relief Law; and provided, further, that if at any time there is no Person acting as Administrative Agent hereunder and under the other Loan Documents, then (i) the Required Lenders shall have the rights otherwise ascribed to the Administrative Agent pursuant to Section 8.02 and (ii) in addition to the matters set forth in clauses (b), (c) and (d) of the preceding proviso and subject to Section 2.12, any Lender may, with the consent of the Required Lenders, enforce any rights and remedies available to it and as authorized by the Required Lenders.

10.04. Expenses; Indemnity; Damage Waiver.

(a) Costs and Expenses. The Borrower shall pay (i) all reasonable out-of-pocket expenses incurred by the Administrative Agent and its Affiliates (including the reasonable fees, charges and disbursements of counsel for the Administrative Agent), in connection with the syndication of the credit facilities provided for herein, the preparation, negotiation, execution, delivery and administration of this Agreement and the other Loan Documents or any amendments, modifications or waivers of the provisions hereof or thereof (whether or not the transactions contemplated hereby or thereby shall be consummated), (ii) all reasonable out-of-pocket expenses incurred by the L/C Issuer in connection with the issuance, amendment, renewal or extension of any Letter of Credit or any demand for payment thereunder and (iii) all out-of-pocket expenses incurred by the Administrative Agent, any Lender or the L/C Issuer (including the fees, charges and disbursements of any counsel for the Administrative Agent, any Lender or the L/C Issuer), in connection with the enforcement or protection of its rights (A) in connection with this Agreement and the other Loan Documents, including its rights under this Section, or (B) in connection with the Loans made or Letters of Credit issued hereunder, including all such out-of-pocket expenses incurred during any workout, restructuring or negotiations in respect of such Loans or Letters of Credit.

(b) Indemnification by the Loan Parties. The Loan Parties shall jointly and severally indemnify the Administrative Agent (and any sub-agent thereof), each Lender and the L/C Issuer, and each Related Party of any of the foregoing Persons (each such Person being called an “Indemnitee”) against, and hold each Indemnitee harmless from, any and all losses, claims, damages, liabilities, penalties and related expenses (including the fees, charges and disbursements of any counsel for any Indemnitee), incurred by any Indemnitee or asserted against any Indemnitee by any third party or by the Borrower or any other Loan Party arising out of, in connection with, or as a result of (i) the execution or delivery of this Agreement, any other Loan Document or any agreement or instrument contemplated hereby or thereby, the performance by the parties hereto of their respective obligations hereunder or thereunder, the consummation of the transactions contemplated hereby or thereby, or, in the case of the Administrative Agent (and any sub-agent thereof) and its Related Parties only, the administration of this Agreement and the other Loan Documents (including in respect of any matters addressed in Section 3.01), (ii) any Loan or Letter of Credit or the use or proposed use of the proceeds therefrom (including any refusal by the L/C Issuer to honor a demand for payment under a Letter of Credit if the documents presented in connection with such demand do not strictly comply with the terms of such Letter of Credit), (iii) any actual or alleged presence or release of Hazardous Materials on or from any property owned or operated by the Borrower or any of its Subsidiaries, or any Environmental Liability related in any way to the Borrower or any of its Subsidiaries, or (iv) any actual or prospective claim, litigation, investigation or proceeding relating to any of the foregoing, whether based on contract, tort or any other theory, whether brought by a third party or by the Borrower or any other Loan Party, and regardless of whether any Indemnitee is a party thereto; provided that such indemnity shall not, as to any Indemnitee, be available to the extent that such losses, claims, damages, liabilities or related expenses (x) are determined by a court of competent jurisdiction by final and nonappealable judgment to have resulted from the gross negligence or willful misconduct of such Indemnitee or (y) result from a claim brought by the Borrower or any other Loan Party against such Indemnitee for breach in bad faith of such Indemnitee’s obligations hereunder or under any other Loan Document, if the Borrower or such other Loan Party has obtained a final and nonappealable judgment in its favor on such claim as determined by a court of competent jurisdiction. Without limiting the provisions of Section 3.01(c), this Section 10.04(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim.

(c) Reimbursement by Lenders. To the extent that the Borrower or any other Loan Party for any reason fails to indefeasibly pay any amount required under subsection (a) or (b) of this Section to be paid by it to the Administrative Agent (or any sub-agent thereof), the L/C Issuer or any Related Party of any of the foregoing, each Lender severally agrees to pay to the Administrative Agent (or any such sub-agent), the L/C Issuer or such Related Party, as the case may be, such Lender's pro rata share (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought based on each Lender's share of the Total Credit Exposure at such time) of such unpaid amount (including any such unpaid amount in respect of a claim asserted by such Lender), such payment to be made severally among them based on such Lender's Applicable Percentage (determined as of the time that the applicable unreimbursed expense or indemnity payment is sought), provided further that the unreimbursed expense or indemnified loss, claim, damage, liability or related expense, as the case may be, was incurred by or asserted against the Administrative Agent (or any such sub-agent) or the L/C Issuer in its capacity as such, or against any Related Party of any of the foregoing acting for the Administrative Agent (or any such sub-agent) or L/C Issuer in connection with such capacity. The obligations of the Lenders under this subsection (c) are subject to the provisions of Section 2.11(d).

(d) Waiver of Consequential Damages, Etc. To the fullest extent permitted by applicable law, the Borrower and each other Loan Party shall not assert, and each hereby waives, and acknowledges that no other Person shall have, any claim against any Indemnitee, on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of, this Agreement, any other Loan Document or any agreement or instrument contemplated hereby, the transactions contemplated hereby or thereby, any Loan or Letter of Credit or the use of the proceeds thereof. No Indemnitee referred to in subsection (b) above shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed to such unintended recipients by such Indemnitee through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Loan Documents or the transactions contemplated hereby or thereby other than for direct or actual damages resulting from the gross negligence or willful misconduct of such Indemnitee as determined by a final and nonappealable judgment of a court of competent jurisdiction.

(e) Payments. All amounts due under this Section shall be payable not later than ten Business Days after demand therefor.

(f) Survival. The agreements in this Section and the indemnity provisions of Section 10.02(e) shall survive the resignation of the Administrative Agent and the L/C Issuer, the replacement of any Lender, the termination of the Aggregate Commitments and the repayment, satisfaction or discharge of all the other Obligations.

10.05. Payments Set Aside. To the extent that any payment by or on behalf of the Borrower or any other Loan Party is made to the Administrative Agent, the L/C Issuer or any Lender, or the Administrative Agent, the L/C Issuer or any Lender exercises its right of setoff, and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by the Administrative Agent, the L/C Issuer or such Lender in its discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Law or otherwise, then (a) to the extent of such recovery, the obligation or part thereof originally intended to be satisfied shall be revived and continued in full force and effect as if such payment had not been made or such setoff had not occurred, and (b) each Lender and the L/C Issuer severally agrees to pay to the Administrative Agent upon demand its applicable share (without duplication) of any amount so recovered from or repaid by the Administrative Agent, plus interest thereon from the date of such demand to the date such payment is made at a rate per annum equal to the applicable Overnight Rate from time to time in effect, in the applicable currency of such recovery or payment. The obligations of the Lenders and the L/C Issuer under clause (b) of the preceding sentence shall survive the payment in full of the Obligations and the termination of this Agreement.

10.06. Successors and Assigns.

(a) Successors and Assigns Generally. The provisions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns permitted hereby, except that neither the Borrower nor any Guarantor may assign or otherwise transfer any of its rights or obligations hereunder without the prior written consent of the Administrative Agent and each Lender, and no Lender may assign or otherwise transfer any of its rights or obligations hereunder except (i) to an assignee in accordance with the provisions of subsection (b) of this Section, (ii) by way of participation in accordance with the provisions of subsection (d) of this Section, or (iii) by way of pledge or assignment of a security interest subject to the restrictions of subsection (f) of this Section (and any other attempted assignment or transfer by any party hereto shall be null and void). Nothing in this Agreement, expressed or implied, shall be construed to confer upon any Person (other than the parties hereto, their respective successors and assigns permitted hereby, Participants to the extent provided in subsection (d) of this Section and, to the extent expressly contemplated hereby, the Related Parties of each of the Administrative Agent, the L/C Issuer and the Lenders) any legal or equitable right, remedy or claim under or by reason of this Agreement.

(b) Assignments by Lenders. Any Lender may at any time assign to one or more assignees all or a portion of its rights and obligations under this Agreement (including all or a portion of its Commitment under any Facility and the Loans (including for purposes of this subsection (b), participations in L/C Obligations) at the time owing to it); provided that, in each case with respect to any Facility, any such assignment shall be subject to the following conditions:

(i) Minimum Amounts.

(A) in the case of an assignment of the entire remaining amount of the assigning Lender's Commitment under any Facility and the Loans at the time owing to it under such Facility or in the case of an assignment to a Lender, an Affiliate of a Lender or an Approved Fund, no minimum amount need be assigned; and

(B) in any case not described in subsection (b)(i)(A) of this Section, the aggregate amount of the Revolving Commitments and/or the Term B-2 Commitments under the applicable Facility or the principal outstanding balance of the applicable Term Loans of the assigning Lender under the applicable Facility subject to each such assignment, determined as of the date the Assignment and Assumption with respect to such assignment is delivered to the Administrative Agent or, if "Trade Date" is specified in the Assignment and Assumption, as of the Trade Date, shall not be less than \$5,000,000 (or, solely with respect to a Term B Facility, \$1,000,000), unless each of the Administrative Agent and, so long as no Event of Default has occurred and is continuing, the Borrower otherwise consents (each such consent not to be unreasonably withheld or delayed); provided, however, that concurrent assignments to members of an Assignee Group and concurrent assignments from members of an Assignee Group to a single Eligible Assignee (or to an Eligible Assignee and members of its Assignee Group) will be treated as a single assignment for purposes of determining whether such minimum amount has been met.

(ii) Proportionate Amounts. Each partial assignment shall be made as an assignment of a proportionate part of all the assigning Lender's rights and obligations under this Agreement with respect to the Loans or the Commitment assigned;

(iii) Required Consents. No consent shall be required for any assignment except to the extent required by subsection (b)(i)(B) of this Section and, in addition:

(A) the consent of the Borrower (such consent not to be unreasonably withheld or delayed) shall be required unless (1) an Event of Default has occurred and is continuing at the time of such assignment or (2) such assignment is to a Lender, an Affiliate of a Lender or an Approved Fund; provided that, the Borrower shall be deemed to have consented to any such assignment unless it shall object thereto by written notice to the Administrative Agent within ten (10) Business Days after having received notice thereof; and provided further, that the Borrower's consent shall not be required during the primary syndication of a Term B Facility;

(B) the consent of the Administrative Agent (such consent not to be unreasonably withheld or delayed) shall be required if such assignment is to a Person that is not a Lender, an Affiliate of such Lender or an Approved Fund with respect to such Lender; and

(C) the consent of the L/C Issuer (such consent not to be unreasonably withheld or delayed) shall be required for any assignment of Revolving Loans or Revolving Commitments.

(iv) Assignment and Assumption. The parties to each assignment shall execute and deliver to the Administrative Agent an Assignment and Assumption, which, if such assignment relates to a Term B Facility, shall include a representation by the assignee that it is not a Disqualified Lender, together with a processing and recordation fee in the amount of \$3,500; provided, however, that the Administrative Agent may, in its sole discretion, elect to waive such processing and recordation fee in the case of any assignment. The assignee, if it is not a Lender, shall deliver to the Administrative Agent an Administrative Questionnaire.

(v) No Assignment to Certain Persons. No such assignment shall be made (A) to the Borrower or any of the Borrower's Affiliates or Subsidiaries except as provided in Section 10.06(h), (B) to any Defaulting Lender or any of its Subsidiaries, or any Person who, upon becoming a Lender hereunder, would constitute any of the foregoing Persons described in this clause (B), (C) to a natural person or (D) solely with respect to a Term B Facility, subject to Section 10.06(g), to any Disqualified Lender.

(vi) Certain Additional Payments. In connection with any assignment of rights and obligations of any Defaulting Lender hereunder, no such assignment shall be effective unless and until, in addition to the other conditions thereto set forth herein, the parties to the assignment shall make such additional payments to the Administrative Agent in an aggregate amount sufficient, upon distribution thereof as appropriate (which may be outright payment, purchases by the assignee of participations or subparticipations, or other compensating actions, including funding, with the consent of the Borrower and the Administrative Agent, the applicable pro rata share of Loans previously requested but not funded by the Defaulting Lender, to each of which the applicable assignee and assignor hereby irrevocably consent), to (x) pay and satisfy in full all payment liabilities then owed by such Defaulting Lender to the Administrative Agent, the L/C Issuer or any Lender hereunder (and interest accrued thereon) and (y) acquire (and fund as appropriate) its full pro rata share of all Loans and participations in Letters of Credit in accordance with its Applicable Percentage. Notwithstanding the foregoing, in the event that any assignment of rights and obligations of any Defaulting Lender hereunder shall become effective under applicable Law without compliance with the provisions of this subsection, then the assignee of such interest shall be deemed to be a Defaulting Lender for all purposes of this Agreement until such compliance occurs.

Subject to acceptance and recording thereof by the Administrative Agent pursuant to subsection (c) of this Section, from and after the effective date specified in each Assignment and Assumption, the assignee thereunder shall be a party to this Agreement and, to the extent of the interest assigned by such Assignment and Assumption, have the rights and obligations of a Lender under this Agreement, and the assigning Lender thereunder shall, to the extent of the interest assigned by such Assignment and Assumption, be released from its obligations under this Agreement (and, in the case of an Assignment and Assumption covering all of the assigning Lender's rights and obligations under this Agreement, such Lender shall cease to be a party hereto) but shall continue to be entitled to the benefits of Sections 3.01, 3.04, 3.05, and 10.04 with respect to facts and circumstances occurring prior to the effective date of such assignment; provided, that except to the extent otherwise expressly agreed by the affected parties, no assignment by a Defaulting Lender will constitute a waiver or release of any claim of any party hereunder arising from that Lender's having been a Defaulting Lender. Upon request, the Borrower (at its expense) shall execute and deliver a Note to the assignee Lender. Any assignment or transfer by a Lender of rights or obligations under this Agreement that does not comply with this subsection shall be treated for purposes of this Agreement as a sale by such Lender of a participation in such rights and obligations in accordance with subsection (d) of this Section.

(c) Register. The Administrative Agent, acting solely for this purpose as an agent of the Borrower (and such agency being solely for tax purposes), shall maintain and update at the Administrative Agent's Office a copy of each Assignment and Assumption delivered to it (or the equivalent thereof in electronic form) and a register for the recordation of the names and addresses of the Lenders, and the Commitments of, and principal amounts (and stated interest) of the Loans and L/C Obligations owing to, each Lender pursuant to the terms hereof from time to time (the "Register"). The entries in the Register shall be conclusive in the absence of manifest error, and the Borrower, the Administrative Agent and the Lenders shall treat each Person whose name is recorded in the Register pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. In addition, the Administrative Agent shall maintain on the Register information regarding the designation, and revocation of designation, of any Lender as a Defaulting Lender. The Register shall be available for inspection by the Borrower and any Lender, at any reasonable time and from time to time upon reasonable prior notice.

(d) Participations. Any Lender may at any time, without the consent of, or notice to, the Borrower or the Administrative Agent, sell participations to any Person (other than (w) a natural person, (x) a Defaulting Lender, (y) solely in respect of a Term B Facility, unless the Borrower has consented thereto, a Disqualified Lender, or (z) the Borrower or any of the Borrower's Affiliates or Subsidiaries) (each, a "Participant") in all or a portion of such Lender's rights and/or obligations under this Agreement (including all or a portion of its Commitment and/or the Loans (including such Lender's participations in L/C Obligations) owing to it); provided that (i) such Lender's obligations under this Agreement shall remain unchanged, (ii) such Lender shall remain solely responsible to the other parties hereto for the performance of such obligations and (iii) the Borrower, the Administrative Agent, the Lenders and the L/C Issuer shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations under this Agreement; provided further, that the written agreement or instrument pursuant to which a Lender sells a participation in respect of a Term B Facility shall include a representation by the Participant that it is not a Disqualified Lender (unless otherwise agreed by the Borrower). For the avoidance of doubt, each Lender shall be responsible for the indemnity under Section 10.04(c) without regard to the existence of any participation.

Any agreement or instrument pursuant to which a Lender sells such a participation shall provide that such Lender shall retain the sole right to enforce this Agreement and to approve any amendment, modification or waiver of any provision of this Agreement; provided that such agreement or instrument may provide that such Lender will not, without the consent of the Participant, agree to any amendment, waiver or other modification described in the first proviso to Section 10.01 that affects such Participant. The Borrower agrees that each Participant shall be entitled to the benefits of Sections 3.01, 3.04 and 3.05 to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section (it being understood that the documentation required under Section 3.01(e) shall be delivered to the Lender who sells the participation) to the same extent as if it were a Lender and had acquired its interest by assignment pursuant to subsection (b) of this Section; provided that such Participant (A) agrees to be subject to the provisions of Sections 3.06 and 10.13 as if it were an assignee under subsection (b) of this Section and (B) shall not be entitled to receive any greater payment under Sections 3.01 or 3.04, with respect to any participation, than the Lender from whom it acquired the applicable participation would have been entitled to receive, except to the extent such entitlement to receive a greater payment results from a Change in Law that occurs after the Participant acquired the applicable participation. Each Lender that sells a participation agrees, at the Borrower's request and expense, to use commercially reasonable efforts to cooperate with the Borrower to effectuate the provisions of Section 10.13 with respect to any Participant.

Each Lender that sells a participation shall, acting solely for this purpose as a non-fiduciary agent of the Borrower, maintain a register on which it enters the name and address of each Participant to which that Lender has sold a participation and the principal amounts (and stated interest) of each such Participant's interest in the Commitments, Loans, L/C Obligations or other obligations under this Agreement (the "Participant Register"); provided that no Lender shall have any obligation to disclose all or any portion of the Participant Register to any Person (including the identity of any Participant or any information relating to a Participant's interest in any Commitments, Loans, L/C Obligations or its other obligations under any Loan Document) except to the extent that such disclosure is necessary to establish that such Commitment, Loan, L/C Obligation or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. The entries in the Participant Register shall be conclusive absent manifest error, and such Lender shall treat each Person whose name is recorded in the Participant Register as the owner of such participation for all purposes of this Agreement notwithstanding any notice to the contrary. For the avoidance of doubt, the Administrative Agent (in its capacity as Administrative Agent) shall have no responsibility for maintaining a Participant Register.

(c) Certain Pledges. Any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement (including under its Note, if any) to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank or other central banking authority; provided that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(f) Resignation By Bank of America as L/C Issuer after Assignment. Notwithstanding anything to the contrary contained herein, if at any time Bank of America assigns all of its Commitment and Loans pursuant to subsection (b) above, Bank of America may, upon 30 days' notice to the Borrower and the Revolving Lenders, resign as L/C Issuer. In the event of any such resignation as L/C Issuer, the Borrower shall be entitled to appoint from among the Revolving Lenders a successor L/C Issuer hereunder; provided, however, that no failure by the Borrower to appoint any such successor shall affect the resignation of Bank of America as L/C Issuer. If Bank of America resigns as L/C Issuer, it shall retain all the rights, powers, privileges and duties of the L/C Issuer hereunder with respect to all Letters of Credit outstanding as of the effective date of its resignation as L/C Issuer and all L/C Obligations with respect thereto (including the right to require the Revolving Lenders to make Base Rate Revolving Loans or fund risk participations in Unreimbursed Amounts pursuant to Section 2.03(c)). Upon the appointment of a successor L/C Issuer, (i) such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring L/C Issuer, and (ii) the successor L/C Issuer shall issue letters of credit in substitution for the Letters of Credit, if any, outstanding at the time of such succession or make other arrangements satisfactory to Bank of America to effectively assume the obligations of Bank of America with respect to such Letters of Credit.

(g) Disqualified Lenders.

(i) Solely in respect of a Term B Facility, no assignment or, to the extent the DQ List has been posted on the Platform for all Lenders, sale of a participation shall be made to any Person that was a Disqualified Lender as of the date (the "Trade Effective Date") on which the assigning Lender entered into a binding agreement to sell and assign or participate all or a portion of its rights and obligations under this Agreement to such Person unless the Borrower has consented to such assignment or participation to such entity, as otherwise contemplated by this Section 10.06, in which case such Person will not be considered a Disqualified Lender for the purpose of such assignment or participation. For the avoidance of doubt, with respect to any assignee or participant that becomes a Disqualified Lender after the applicable Trade Effective Date (including as a result of the delivery of an updated DQ List pursuant to the definition of "Disqualified Lender"), (x) such assignee shall not retroactively be disqualified from being a Lender or participant and (y) the execution by the Borrower of an Assignment and Assumption with respect to such assignee will not by itself result in such assignee no longer being considered a Disqualified Lender. Administrative Agent and each assignor of a Term B Loan or Term B-2 Commitments hereunder shall be entitled to rely conclusively on a representation of the assignee Lender in the relevant Assignment and Assumption that such assignee is not a Disqualified Lender. Any assignment with respect to a Term B Facility to a Disqualified Lender in violation of this clause (g)(i) shall not be void, but the other provisions of this clause (g) shall apply.

(ii) If any assignment is made in respect of a Term B Facility to any Disqualified Lender without the Borrower's prior written consent in violation of clause (i) above or if any Person becomes a Disqualified Lender after the applicable Trade Effective Date, the Borrower may, at its sole expense and effort, upon notice to the applicable Disqualified Lender and the Administrative Agent, (x) terminate any Term B-2 Commitment of such Disqualified Lender, if applicable, and repay all obligations of the Borrower owing to such Disqualified Lender, such amount to equal the principal amount thereof plus accrued interest, accrued fees and all other amounts (other than principal amounts) payable to it hereunder and under the other Loan Documents; provided that, such repayment may not be made with proceeds of the Loans provided hereunder, and/or (y) require such Disqualified Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions and conditions contained in this Section 10.06), all of its interest, rights and obligations under this Agreement and the other Loan Documents to one or more Eligible Assignees that shall assume such obligations at the lesser of (A) the principal amount thereof and (B) 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 the other Loan Documents; provided that (x) the Borrower shall have paid to the Administrative Agent the assignment fee specified in Section 10.06(b)(iv) and (y) such assignment does not conflict with applicable Laws.

(iii) Notwithstanding anything to the contrary contained in this Agreement, Disqualified Lenders, solely in respect of each Term B Facility, (A) will not (x) have the right to receive information, reports or other materials provided to Lenders by the Borrower, 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 on any plan of reorganization or plan of liquidation pursuant to any Debtor Relief Laws (a “Bankruptcy Plan”), each Disqualified Lender party hereto hereby agrees (1) not to vote on such Bankruptcy Plan, (2) if such Disqualified Lender does vote on such Bankruptcy Plan 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 of the United States (or any similar provision in any other Debtor Relief Laws), and such vote shall not be counted in determining whether the applicable class has accepted or rejected such Bankruptcy Plan in accordance with Section 1126(c) of the Bankruptcy Code of the United States (or any similar provision in any other Debtor Relief Laws) and (3) not to contest any request by any party for a determination by any 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 (x) post the DQ List on the Platform, including that portion of the Platform that is designated for “public side” Lenders or (y) provide the DQ List to each Lender requesting the same.

(h) Assignments to the Borrower. Notwithstanding anything to the contrary contained in this Section 10.06 or any other provision of this Agreement, so long as no Default or Event of Default has occurred and is continuing or would exist after giving effect thereto, each Term B Lender shall have the right at any time to sell, assign or transfer all or a portion of its applicable Term B Loans to the Borrower on a non-pro rata basis, subject to the following limitations:

(i) Such sale, assignment or transfer shall be pursuant to either (1) one or more modified Dutch auctions conducted by the Borrower (each, an “Auction”) to repurchase all or any portion of the Term B Loans; provided that (x) notice of and the option to participate in the Auction shall be provided to all applicable Term B Lenders, which notice shall contain language identifying the Borrower as the purchaser, assignee or transferee, as applicable, and (y) the Auction shall be conducted pursuant to such procedures as the Auction Manager may establish, which are consistent with this Section 10.06(h) and the Auction Procedures and are otherwise reasonably acceptable to the Borrower and the Auction Manager or (2) Permitted Open Market Purchases.

(ii) The Borrower shall neither obtain nor have any rights as a Term B Lender hereunder or under the other Loan Documents by virtue of such assignment.

(iii) With respect to all repurchases made by the Borrower pursuant to this Section 10.06(h), (x) the Borrower shall not use the proceeds of any Revolving Loan to repurchase such Term B Loans and (y) the assigning Term B Lender and the Borrower shall execute and deliver to the Administrative Agent and, if the repurchase is made pursuant to an Auction, the Auction Manager, an Assignment and Assumption with respect to such repurchase.

(iv) Following a repurchase by the Borrower pursuant to this Section 10.06(h), (1) the Term B Loans so repurchased shall, immediately and without further action by any Person, be deemed canceled and no longer outstanding (and may not be resold by the Borrower) for all purposes of this Agreement and all other Loan Documents, including, but not limited to (x) the making of, or the application of, any payments to the applicable Term B Lenders under this Agreement or any other Loan Document (it being understood that the remaining outstanding Term B Loans not so repurchased shall continue to be subject to the amortization provisions set forth in Section 2.06(c) or Section 2.06(d), as applicable, (y) the making of any request, demand, authorization, direction, notice, consent or waiver under this Agreement or any other Loan Document or (z) the determination of the Required Lenders or the Required Term B Lenders, or for any similar or related purpose, under this Agreement or any other Loan Document and (2) the remaining scheduled amortization payments relating to the Term B Loans so repurchased shall be ratably reduced on account of such repurchase (but, for the avoidance of doubt, any repurchase of Term B Loans by the Borrower in accordance with this Section 10.06(h) shall not result in a reduction of the amounts payable under Section 2.06(c) or Section 2.06(d), as applicable, with respect to Term B Loans that have not been so repurchased). In connection with any Term B Loans repurchased and canceled pursuant to this Section 10.06(h), the Administrative Agent is authorized to make appropriate entries in the Register to reflect any such cancellation.

10.07. Treatment of Certain Information; Confidentiality. Each of the Administrative Agent, the Lenders and the L/C Issuer agrees to maintain the confidentiality of the Information (as defined below), except that Information may be disclosed (a) to its Affiliates and to its Related Parties (it being understood that the Persons to whom such disclosure is made will be informed of the confidential nature of such Information and instructed to keep such Information confidential), (b) to the extent required or requested by any regulatory authority purporting to have jurisdiction over such Person or its Related Parties (including any self-regulatory authority, such as the National Association of Insurance Commissioners), (c) to the extent required by applicable laws or regulations or by any subpoena or similar legal process, (d) to any other party hereto, (e) in connection with the exercise of any remedies hereunder or under any other Loan Document or any action or proceeding relating to this Agreement or any other Loan Document or the enforcement of rights hereunder or thereunder, (f) subject to an agreement containing provisions substantially the same as those of this Section, to (i) any assignee of or Participant in, or any prospective assignee of or Participant in, any of its rights or obligations under this Agreement or any Eligible Assignee invited to be a Lender pursuant to Section 2.13(c) or (ii) any actual or prospective party (or its Related Parties) to any swap, derivative or other transaction under which payments are to be made by reference to the Borrower and its obligations, this Agreement or payments hereunder, (g) with the consent of the Borrower, (h) on a confidential basis to (i) any rating agency in connection with rating the Borrower or its Subsidiaries or the credit facilities provided hereunder or (ii) the CUSIP Service Bureau or any similar agency in connection with the issuance and monitoring of CUSIP numbers or other market identifiers with respect to the credit facilities provided hereunder, or (i) to the extent such Information (x) becomes publicly available other than as a result of a breach of this Section or (y) becomes available to the Administrative Agent, any Lender, the L/C Issuer or any of their respective Affiliates on a nonconfidential basis from a source other than the Borrower. For purposes of this Section, "Information" means all information received from the Borrower or any Subsidiary relating to the Borrower or any Subsidiary or any of their respective businesses, other than any such information that is available to the Administrative Agent, any Lender or the L/C Issuer on a nonconfidential basis prior to disclosure by the Borrower or any Subsidiary, provided that, in the case of information received from the Borrower or any Subsidiary after the date hereof, such information is clearly identified at the time of delivery as confidential. Any Person required to maintain the confidentiality of Information as provided in this Section shall be considered to have complied with its obligation to do so if such Person has exercised the same degree of care to maintain the confidentiality of such Information as such Person would accord to its own confidential information.

Each of the Administrative Agent, the Lenders and the L/C Issuer acknowledges that (a) the Information may include material non-public information concerning the Borrower or a Subsidiary, as the case may be, (b) it has developed compliance procedures regarding the use of material non-public information and (c) it will handle such material non-public information in accordance with applicable Law, including United States Federal and state securities Laws.

10.08. Right of Setoff. If an Event of Default shall have occurred and be continuing, each Lender, the L/C Issuer and each of their respective Affiliates is hereby authorized at any time and from time to time, to the fullest extent permitted by applicable law, to set off and apply any and all deposits (general or special, time or demand, provisional or final, in whatever currency) at any time held and other obligations (in whatever currency) at any time owing by such Lender, the L/C Issuer or any such Affiliate to or for the credit or the account of the Borrower or any other Loan Party against any and all of the obligations of the Borrower and the other Loan Parties now or hereafter existing under this Agreement or any other Loan Document to such Lender or the L/C Issuer, irrespective of whether or not such Lender or the L/C Issuer shall have made any demand under this Agreement or any other Loan Document and although such obligations of the Borrower or Loan Parties may be contingent or unmatured or are owed to a branch or office of such Lender or the L/C Issuer different from the branch or office holding such deposit or obligated on such indebtedness; provided that, in the event that any Defaulting Lender shall exercise any such right of setoff, (x) all amounts so set off shall be paid over immediately to the Administrative Agent for further application in accordance with the provisions of Section 2.15 and, pending such payment, shall be segregated by such Defaulting Lender from its other funds and deemed held in trust for the benefit of the Administrative Agent, the L/C Issuer and the Lenders, and (y) the Defaulting Lender shall provide promptly to the Administrative Agent a statement describing in reasonable detail the Secured Obligations owing to such Defaulting Lender as to which it exercised such right of setoff. The rights of each Lender, the L/C Issuer and their respective Affiliates under this Section are in addition to other rights and remedies (including other rights of setoff) that such Lender, the L/C Issuer or their respective Affiliates may have. Each Lender and the L/C Issuer agrees to notify the Borrower or other relevant Loan Party and the Administrative Agent promptly after any such setoff and application, provided that the failure to give such notice shall not affect the validity of such setoff and application.

10.09. **Interest Rate Limitation.** Notwithstanding anything to the contrary contained in any Loan Document, the interest paid or agreed to be paid under the Loan Documents shall not exceed the maximum rate of non-usurious interest permitted by applicable Law (the "Maximum Rate"). If the Administrative Agent or any Lender shall receive interest in an amount that exceeds the Maximum Rate, the excess interest shall be applied to the principal of the Loans or, if it exceeds such unpaid principal, refunded to the Borrower. In determining whether the interest contracted for, charged, or received by the Administrative Agent or a Lender exceeds the Maximum Rate, such Person may, to the extent permitted by applicable Law, (a) characterize any payment that is not principal as an expense, fee, or premium rather than interest, (b) exclude voluntary prepayments and the effects thereof, and (c) amortize, prorate, allocate, and spread in equal or unequal parts the total amount of interest throughout the contemplated term of the Obligations hereunder.

10.10. **Counterparts; Integration; Effectiveness.** This Agreement may be executed in counterparts (and by different parties hereto in different counterparts), each of which shall constitute an original, but all of which when taken together shall constitute a single contract. This Agreement and the other Loan Documents constitute the entire contract among the parties relating to the subject matter hereof and supersede any and all previous agreements and understandings, oral or written, relating to the subject matter hereof. Except as provided in Section 4.01, this Agreement shall become effective when it shall have been executed by the Administrative Agent and when the Administrative Agent shall have received counterparts hereof that, when taken together, bear the signatures of each of the other parties hereto. Delivery of an executed counterpart of a signature page of this Agreement by facsimile or other electronic imaging means shall be effective as delivery of an original executed counterpart of this Agreement.

10.11. **Survival of Representations and Warranties.** All representations and warranties made hereunder and in any other Loan Document or other document delivered pursuant hereto or thereto or in connection herewith or therewith shall survive the execution and delivery hereof and thereof. Such representations and warranties have been or will be relied upon by the Administrative Agent and each Lender, regardless of any investigation made by the Administrative Agent or any Lender or on their behalf and notwithstanding that the Administrative Agent or any Lender may have had notice or knowledge of any Default at the time of any Credit Extension, and shall continue in full force and effect as long as any Loan or any other Obligation hereunder shall remain unpaid or unsatisfied or any Letter of Credit shall remain outstanding.

10.12. Severability. If any provision of this Agreement or the other Loan Documents is held to be illegal, invalid or unenforceable, (a) the legality, validity and enforceability of the remaining provisions of this Agreement and the other Loan Documents shall not be affected or impaired thereby and (b) the parties shall endeavor in good faith negotiations to replace the illegal, invalid or unenforceable provisions with valid provisions the economic effect of which comes as close as possible to that of the illegal, invalid or unenforceable provisions. The invalidity of a provision in a particular jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction. Without limiting the foregoing provisions of this Section 10.12, if and to the extent that the enforceability of any provisions in this Agreement relating to Defaulting Lenders shall be limited by Debtor Relief Laws, as determined in good faith by the Administrative Agent or the L/C Issuer, as applicable, then such provisions shall be deemed to be in effect only to the extent not so limited.

10.13. Replacement of Lenders. If (i) any Lender requests compensation under Section 3.04, (ii) the Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 3.01, (iii) any Lender is a Defaulting Lender or a Non-Extending Lender, or (iv) any Lender has refused or failed, within a reasonable period of time (as determined by Administrative Agent in its reasonable discretion) from first receiving a written request therefor from Administrative Agent, to provide its written approval of any amendment, consent or waiver in respect of any matter related to this Agreement or the other Loan Documents requiring that all Lenders or all affected Lenders will have given written approval of such requested amendment, consent or waiver pursuant to Section 10.01 and in such instance Lenders sufficient to constitute Required Lenders have already provided such written approval pursuant to Section 10.01, then the Borrower may, at its sole expense and effort, upon notice to such Lender and the Administrative Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions contained in, and consents required by, Section 10.06), all of its interests, rights (other than its existing rights to payments pursuant to Sections 3.01 and 3.04) and obligations under this Agreement and the related Loan Documents to an Eligible Assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment), provided that:

(a) the Borrower shall have paid to the Administrative Agent the assignment fee specified in Section 10.06(b);

(b) such Lender shall have received payment of an amount equal to 100% of the outstanding principal of its Loans and L/C Advances, accrued interest thereon, accrued fees and all other amounts payable to it hereunder and under the other Loan Documents (including any amounts under Section 3.05) from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Borrower (in the case of all other amounts);

(c) in the case of any such assignment resulting from a claim for compensation under Section 3.04 or payments required to be made pursuant to Section 3.01, such assignment will result in a reduction in such compensation or payments thereafter;

(d) such assignment does not conflict with applicable Laws;

(e) in the case of an assignment resulting from a Lender refusing or failing to provide its written approval referenced in clause (iv) above, the applicable assignee shall have consented to the applicable amendment, waiver or consent; and

(f) in the case of an assignment from a Non-Extending Lender, such assignment shall not be effective until the applicable Existing Maturity Date in accordance with Section 2.16(d).

A Lender shall not be required to make any such assignment or delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Borrower to require such assignment and delegation cease to apply.

10.14. Governing Law; Jurisdiction; Etc.

(a) GOVERNING LAW. THIS AGREEMENT SHALL BE GOVERNED BY, AND CONSTRUED IN ACCORDANCE WITH, THE LAW OF THE STATE OF NEW YORK.

(b) SUBMISSION TO JURISDICTION. THE BORROWER AND EACH OTHER LOAN PARTY IRREVOCABLY AND UNCONDITIONALLY AGREES THAT IT WILL NOT COMMENCE ANY ACTION, LITIGATION OR PROCEEDING OF ANY KIND OR DESCRIPTION, WHETHER IN LAW OR EQUITY, WHETHER IN CONTRACT OR IN TORT OR OTHERWISE, AGAINST THE ADMINISTRATIVE AGENT, ANY LENDER, THE L/C ISSUER, OR ANY RELATED PARTY OF THE FOREGOING IN ANY WAY RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS RELATING HERETO OR THERETO, IN ANY FORUM OTHER THAN THE COURTS OF THE STATE OF NEW YORK SITTING IN NEW YORK COUNTY AND OF THE UNITED STATES DISTRICT COURT OF THE SOUTHERN DISTRICT OF NEW YORK, AND ANY APPELLATE COURT FROM ANY THEREOF, AND EACH OF THE PARTIES HERETO IRREVOCABLY AND UNCONDITIONALLY SUBMITS TO THE JURISDICTION OF SUCH COURTS AND AGREES THAT ALL CLAIMS IN RESPECT OF ANY SUCH ACTION, LITIGATION OR PROCEEDING MAY BE HEARD AND DETERMINED IN SUCH NEW YORK STATE COURT OR, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, IN SUCH FEDERAL COURT. EACH OF THE PARTIES HERETO AGREES THAT A FINAL JUDGMENT IN ANY SUCH ACTION, LITIGATION OR PROCEEDING SHALL BE CONCLUSIVE AND MAY BE ENFORCED IN OTHER JURISDICTIONS BY SUIT ON THE JUDGMENT OR IN ANY OTHER MANNER PROVIDED BY LAW. NOTHING IN THIS AGREEMENT OR IN ANY OTHER LOAN DOCUMENT SHALL AFFECT ANY RIGHT THAT THE ADMINISTRATIVE AGENT, ANY LENDER OR THE L/C ISSUER MAY OTHERWISE HAVE TO BRING ANY ACTION OR PROCEEDING RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT AGAINST THE BORROWER OR ITS PROPERTIES IN THE COURTS OF ANY JURISDICTION.

(c) WAIVER OF VENUE. THE BORROWER AND EACH GUARANTOR IRREVOCABLY AND UNCONDITIONALLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY OBJECTION THAT IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF VENUE OF ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT IN ANY COURT REFERRED TO IN SUBSECTION (b) OF THIS SECTION. EACH OF THE PARTIES HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF SUCH ACTION OR PROCEEDING IN ANY SUCH COURT.

(d) SERVICE OF PROCESS. EACH PARTY HERETO IRREVOCABLY CONSENTS TO SERVICE OF PROCESS IN THE MANNER PROVIDED FOR NOTICES IN SECTION 10.02. NOTHING IN THIS AGREEMENT WILL AFFECT THE RIGHT OF ANY PARTY HERETO TO SERVE PROCESS IN ANY OTHER MANNER PERMITTED BY APPLICABLE LAW.

10.15. Waiver of Jury Trial. EACH PARTY HERETO HEREBY IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, ANY RIGHT IT MAY HAVE TO A TRIAL BY JURY IN ANY LEGAL PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR ANY OTHER LOAN DOCUMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY OR THEREBY (WHETHER BASED ON CONTRACT, TORT OR ANY OTHER THEORY). EACH PARTY HERETO (A) CERTIFIES THAT NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PERSON HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PERSON WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER AND (B) ACKNOWLEDGES THAT IT AND THE OTHER PARTIES HERETO HAVE BEEN INDUCED TO ENTER INTO THIS AGREEMENT AND THE OTHER LOAN DOCUMENTS BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION.

10.16. No Advisory or Fiduciary Responsibility. In connection with all aspects of each transaction contemplated hereby (including in connection with any amendment, waiver or other modification hereof or of any other Loan Document), the Borrower and each other Loan Party acknowledges and agrees, and acknowledges its Affiliates' understanding, that: (i) (A) the arranging and other services regarding this Agreement provided by the Administrative Agent, the Joint Lead Arrangers and the Lenders are arm's-length commercial transactions between the Borrower, each other Loan Party and their respective Affiliates, on the one hand, and the Administrative Agent, the Joint Lead Arrangers and the Lenders, on the other hand, (B) each of the Borrower and the other Loan Parties has consulted its own legal, accounting, regulatory and tax advisors to the extent it has deemed appropriate, and (C) the Borrower and each other Loan Party is capable of evaluating, and understands and accepts, the terms, risks and conditions of the transactions contemplated hereby and by the other Loan Documents; (ii) (A) the Administrative Agent, each Joint Lead Arranger and each Lender is and has been acting solely as a principal and, except as expressly agreed in writing by the relevant parties, has not been, is not, and will not be acting as an advisor, agent or fiduciary for the Borrower, any other Loan Party or any of their respective Affiliates, or any other Person and (B) neither the Administrative Agent nor any Lender or Joint Lead Arranger has any obligation to the Borrower, any other Loan Party or any of their respective Affiliates with respect to the transactions contemplated hereby except those obligations expressly set forth herein and in the other Loan Documents; and (iii) the Administrative Agent, the Joint Lead Arrangers, the Lenders and their respective Affiliates may be engaged in a broad range of transactions that involve interests that differ from those of the Borrower, the other Loan Parties and their respective Affiliates, and neither the Administrative Agent nor any Lender or Joint Lead Arranger has any obligation to disclose any of such interests to the Borrower, any other Loan Party or any of their respective Affiliates. Each of the Borrower and the other Loan Parties agrees that it will not claim that any of the Administrative Agent, Joint Lead Arrangers or Lenders has rendered advisory services of any nature or respect or owes a fiduciary or similar duty to the Borrower or such Loan Party, in connection with the transactions contemplated hereby or the process leading thereto.

10.17. Electronic Execution of Assignments and Certain Other Documents. The words “execute,” “execution,” “signed,” “signature,” and words of like import in or related to any document to be signed in connection with this Agreement and the transactions contemplated hereby (including without limitation Assignment and Assumptions, amendments or other modifications, Loan Notices, waivers and consents) shall be deemed to include electronic signatures, the electronic matching of assignment terms and contract formations on electronic platforms approved by the Administrative Agent, or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act; provided that notwithstanding anything contained herein to the contrary the Administrative Agent is under no obligation to agree to accept electronic signatures in any form or in any format unless expressly agreed to by the Administrative Agent pursuant to procedures approved by it.

10.18. USA PATRIOT Act. Each Lender that is subject to the Act (as hereinafter defined) and the Administrative Agent (for itself and not on behalf of any Lender) hereby notifies the Loan Parties that pursuant to the requirements of the USA PATRIOT Act (Title III of Pub. L. 107-56 (signed into law October 26, 2001)) (the “Act”), it is required to obtain, verify and record information that identifies each Loan Party, which information includes the name and address of each Loan Party and other information that will allow such Lender or the Administrative Agent, as applicable, to identify each Loan Party in accordance with the Act. Each Loan Party shall, promptly following a request by the Administrative Agent or any Lender, provide all documentation and other information that the Administrative Agent or such Lender requests in order to comply with its ongoing obligations under applicable “know your customer” and anti-money laundering rules and regulations, including the Act.

10.19. Multiparty Guaranty.

(a) Multiparty Guaranty. Each Guarantor hereby absolutely and unconditionally, jointly and severally guarantees, as a guaranty of payment and performance and not merely as a guaranty of collection, prompt payment when due, whether at stated maturity, by required prepayment, upon acceleration, demand or otherwise, and at all times thereafter, of any and all of the Secured Obligations, whether for principal, interest, premiums, fees, indemnities, damages, costs, expenses or otherwise, of the Borrower to the Secured Parties, arising hereunder or under any other Loan Document, any Secured Cash Management Agreement or any Secured Hedge Agreement (including all renewals, extensions, amendments, refinancings and other modifications thereof and all costs, attorneys’ fees and expenses incurred by the Secured Parties in connection with the collection or enforcement thereof). Notwithstanding the foregoing, the liability of each Guarantor individually with respect to this Multiparty Guaranty shall be limited to an aggregate amount equal to the largest amount that would not render its obligations hereunder subject to avoidance under Section 548 of the United States Bankruptcy Code or any comparable provisions of any applicable state law. The Administrative Agent’s books and records showing the amount of the Secured Obligations shall be admissible in evidence in any action or proceeding, and shall be binding upon each Guarantor, and conclusive for the purpose of establishing the amount of the Secured Obligations. This Multiparty Guaranty shall not be affected by the genuineness, validity, regularity or enforceability of the Secured Obligations or any instrument or agreement evidencing any Secured Obligations, or by the existence, validity, enforceability, perfection, non-perfection or extent of any collateral therefor, or by any fact or circumstance relating to the Secured Obligations which might otherwise constitute a defense to the obligations of the Guarantors, or any of them, under this Multiparty Guaranty, and each Guarantor hereby irrevocably waives any defenses it may now have or hereafter acquire in any way relating to any or all of the foregoing.

(b) Rights of Lenders. Each Guarantor consents and agrees that the Secured Parties may, at any time and from time to time, without notice or demand, and without affecting the enforceability or continuing effectiveness hereof: (i) amend, extend, renew, compromise, discharge, accelerate or otherwise change the time for payment or the terms of the Secured Obligations or any part thereof; (ii) take, hold, exchange, enforce, waive, release, fail to perfect, sell, or otherwise dispose of any security for the payment of this Multiparty Guaranty or any Secured Obligations; (iii) apply such security and direct the order or manner of sale thereof as the Administrative Agent, the L/C Issuer and the Lenders in their sole discretion may determine; and (iv) release or substitute one or more of any endorsers or other guarantors of any of the Secured Obligations. Without limiting the generality of the foregoing, each Guarantor consents to the taking of, or failure to take, any action which might in any manner or to any extent vary the risks of such Guarantor under this Multiparty Guaranty or which, but for this provision, might operate as a discharge of such Guarantor.

(c) Certain Waivers. Each Guarantor waives (i) any defense arising by reason of any disability or other defense of the Borrower or any other guarantor, or the cessation from any cause whatsoever (including any act or omission of any Secured Party) of the liability of the Borrower; (ii) any defense based on any claim that such Guarantor's obligations exceed or are more burdensome than those of the Borrower; (iii) the benefit of any statute of limitations affecting any Guarantor's liability hereunder; (iv) any right to proceed against the Borrower, proceed against or exhaust any security for the Secured Obligations, or pursue any other remedy in the power of any Secured Party whatsoever; (v) any benefit of and any right to participate in any security now or hereafter held by any Secured Party; and (vi) to the fullest extent permitted by law, any and all other defenses or benefits that may be derived from or afforded by applicable Law limiting the liability of or exonerating guarantors or sureties. Each Guarantor expressly waives all setoffs and counterclaims and all presentments, demands for payment or performance, notices of nonpayment or nonperformance, protests, notices of protest, notices of dishonor and all other notices or demands of any kind or nature whatsoever with respect to the Secured Obligations, and all notices of acceptance of this Multiparty Guaranty or of the existence, creation or incurrence of new or additional Secured Obligations. Each Guarantor waives any rights and defenses that are or may become available to it by reason of §§ 2787 to 2855, inclusive, and §§ 2899 and 3433 of the California Civil Code.

(d) Obligations Independent. The obligations of each Guarantor hereunder are those of primary obligor, and not merely as surety, and are independent of the Secured Obligations and the obligations of any other guarantor, and a separate action may be brought against each Guarantor to enforce this Multiparty Guaranty whether or not the Borrower or any other person or entity is joined as a party.

(e) Subrogation. No Guarantor shall exercise any right of subrogation, contribution, indemnity, reimbursement or similar rights with respect to any payments it makes under this Multiparty Guaranty until all of the Secured Obligations and any amounts payable under this Multiparty Guaranty have been indefeasibly paid and performed in full and the Commitments and the Facilities are terminated. If any amounts are paid to a Guarantor in violation of the foregoing limitation, then such amounts shall be held in trust for the benefit of the Secured Parties and shall forthwith be paid to the Secured Parties to reduce the amount of the Secured Obligations, whether matured or unmatured.

(f) Termination; Reinstatement. This Multiparty Guaranty is a continuing and irrevocable guaranty of all Secured Obligations now or hereafter existing and shall remain in full force and effect until the Facility Termination Date (whereupon the Guarantors' obligations under this Multiparty Guaranty shall terminate, other than contingent indemnification obligations and subject to the following sentences). Notwithstanding the foregoing, this Multiparty Guaranty shall continue in full force and effect or be revived, as the case may be, if any payment by or on behalf of the Borrower or a Guarantor is made, or any of the Secured Parties exercises its right of setoff, in respect of the Secured Obligations and such payment or the proceeds of such setoff or any part thereof is subsequently invalidated, declared to be fraudulent or preferential, set aside or required (including pursuant to any settlement entered into by any of the Secured Parties in their discretion) to be repaid to a trustee, receiver or any other party, in connection with any proceeding under any Debtor Relief Laws or otherwise, all as if such payment had not been made or such setoff had not occurred and whether or not the Secured Parties are in possession of or have released this Multiparty Guaranty and regardless of any prior revocation, rescission, termination or reduction. The obligations of each Guarantor under this subsection shall survive termination of this Multiparty Guaranty.

(g) Stay of Acceleration. If acceleration of the time for payment of any of the Secured Obligations is stayed, in connection with any case commenced by or against a Guarantor or the Borrower under any Debtor Relief Laws, or otherwise, all such amounts shall nonetheless be payable by each Guarantor, jointly and severally, immediately upon demand by the Secured Parties.

(h) Condition of Borrower. Each Guarantor acknowledges and agrees that it has the sole responsibility for, and has adequate means of, obtaining from the Borrower and any other guarantor such information concerning the financial condition, business and operations of the Borrower and any such other guarantor as such Guarantor requires, and that none of the Secured Parties has any duty, and such Guarantor is not relying on the Secured Parties at any time, to disclose to it any information relating to the business, operations or financial condition of the Borrower or any other guarantor (each Guarantor waiving any duty on the part of the Secured Parties to disclose such information and any defense relating to the failure to provide the same).

(i) Appointment of Borrower. Each of the Guarantors hereby appoints the Borrower to act as its agent for all purposes of this Agreement and the other Loan Documents and agrees that (i) the Borrower may execute such documents on behalf of such Guarantor as the Borrower deems appropriate in its sole discretion and each Guarantor shall be obligated by all of the terms of any such document executed on its behalf, (ii) any notice or communication delivered by the Administrative Agent or the Lender to the Borrower shall be deemed delivered to each Guarantor and (iii) the Administrative Agent or the Lenders may accept, and be permitted to rely on, any document, instrument or agreement executed by the Borrower on behalf of each Guarantor.

(j) Right of Contribution. The Guarantors agree among themselves that, in connection with payments made hereunder, each Guarantor shall have contribution rights against the other Guarantors as permitted under applicable Law.

(k) Keepwell. Each Loan Party that is a Qualified ECP Guarantor at the time the Multiparty Guaranty or the grant of the security interest under the Loan Documents, in each case, by any Specified Loan Party, becomes effective with respect to any Swap Obligation, hereby jointly and severally, absolutely, unconditionally and irrevocably undertakes to provide such funds or other support to each Specified Loan Party with respect to such Swap Obligation as may be needed by such Specified Loan Party from time to time to honor all of its obligations under this Multiparty Guaranty and the other Loan Documents in respect of such Swap Obligation (but, in each case, only up to the maximum amount of such liability that can be hereby incurred without rendering such Qualified ECP Guarantor's obligations and undertakings under this Section 10.19(k) voidable under applicable law relating to fraudulent conveyance or fraudulent transfer, and not for any greater amount). The obligations and undertakings of each Qualified ECP Guarantor under this Section shall remain in full force and effect until the Obligations have been indefeasibly paid and performed in full. Each Qualified ECP Guarantor intends this Section to constitute, and this Section shall be deemed to constitute, a guarantee of the obligations of, and a "keepwell, support, or other agreement" for the benefit of, each Specified Loan Party for all purposes of the Commodity Exchange Act.

10.20. Designation as Senior Debt. All Obligations shall be "Designated Senior Indebtedness" for purposes of, and as defined in, each of (i) that certain indenture dated as of June 12, 2009, between Equinix, as issuer, and U.S. Bank National Association, as trustee, and all supplemental indentures thereto, and (ii) any future subordinated indentures or similar instruments issued by any Loan Party after the Closing Date.

10.21. Judgment Currency. If, for the purposes of obtaining judgment in any court, it is necessary to convert a sum due hereunder or any other Loan Document in one currency into another currency, the rate of exchange used shall be that at which in accordance with normal banking procedures the Administrative Agent could purchase the first currency with such other currency on the Business Day preceding that on which final judgment is given. The obligation of the Borrower in respect of any such sum due from it to the Administrative Agent or any Lender hereunder or under the other Loan Documents shall, notwithstanding any judgment in a currency (the "Judgment Currency") other than that in which such sum is denominated in accordance with the applicable provisions of this Agreement (the "Agreement Currency"), be discharged only to the extent that on the Business Day following receipt by the Administrative Agent or such Lender, as the case may be, of any sum adjudged to be so due in the Judgment Currency, the Administrative Agent or such Lender, as the case may be, may in accordance with normal banking procedures purchase the Agreement Currency with the Judgment Currency. If the amount of the Agreement Currency so purchased is less than the sum originally due to the Administrative Agent or any Lender from the Borrower in the Agreement Currency, the Borrower agrees, as a separate obligation and notwithstanding any such judgment, to indemnify the Administrative Agent or such Lender, as the case may be, against such loss. If the amount of the Agreement Currency so purchased is greater than the sum originally due to the Administrative Agent or any Lender in such currency, the Administrative Agent or such Lender, as the case may be, agrees to return the amount of any excess to the Borrower (or to any other Person who may be entitled thereto under applicable law).

10.22. Subordination. Each Loan Party (a “Subordinating Loan Party”) hereby subordinates the payment of all obligations and indebtedness of any other Loan Party owing to it, whether now existing or hereafter arising, including but not limited to any obligation of any such other Loan Party to the Subordinating Loan Party as subrogee of the Secured Parties or resulting from such Subordinating Loan Party’s performance under the Multiparty Guaranty, to the indefeasible payment in full in cash of all Obligations. If the Administrative Agent on behalf of the Secured Parties so requests while a Default or Event of Default has occurred and is continuing (any such request, a “Turnover Request”), any such obligation or indebtedness of any such other Loan Party to the Subordinating Loan Party shall be enforced and performance received by the Subordinating Loan Party as trustee for the Secured Parties and the proceeds thereof shall be paid over to the Administrative Agent for the benefit of the Secured Parties on account of the Secured Obligations, but without reducing or affecting in any manner the liability of the Subordinating Loan Party under this Agreement. Without limitation of the foregoing, so long as no Default or Event of Default has occurred and is continuing and the Administrative Agent on behalf of the Secured Parties has not made a Turnover Request, the Loan Parties may make and receive payments with respect to intercompany obligations and Indebtedness; provided that, in the event that any Loan Party receives any payment of any intercompany obligations and Indebtedness at a time when such payment is prohibited by this Section, such payment shall be held by such Loan Party, in trust for the benefit of, and shall be paid forthwith over and delivered, upon written request, to the Administrative Agent.

10.23. Parallel Debt (Dutch Collateral Documents). To grant the collateral security pursuant to the Collateral Documents governed by Dutch law to the Administrative Agent, each Loan Party irrevocably and unconditionally undertakes (and to the extent necessary undertakes in advance (*bij voorbaat*)) to pay to the Administrative Agent amounts equal to any amounts owing from time to time by such Loan Party to any Secured Party under any Loan Document as and when those amounts are due. Each Loan Party and the Administrative Agent and the other Secured Parties acknowledge that the obligations of each Loan Party under this Section 10.23 are several and are separate and independent (*eigen zelfstandige verplichtingen*) from, and shall not in any way limit or affect, the corresponding obligations of that Loan Party to any Secured Party under this Agreement or any other Loan Document (its “Corresponding Debt”) nor shall the amounts for which each Loan Party is liable under this Section 10.23 (its “Parallel Debt”) be limited or affected in any way by its Corresponding Debt provided that: (a) the Parallel Debt of each Loan Party shall be decreased to the extent that its Corresponding Debt has been irrevocably paid or (in the case of guarantee obligations) discharged; (b) the Corresponding Debt of each Loan Party shall be decreased to the extent that its Parallel Debt has been irrevocably paid or (in the case of guarantee obligations) discharged; and (c) the amount of the Parallel Debt of each Loan Party shall at all times be equal to the amount of its Corresponding Debt. For the purpose of this Section 10.23, the Administrative Agent acts in its own name and on behalf of itself and not as agent, representative or trustee of any other Secured Party, and its claims in respect of each Parallel Debt shall not be held in trust. The collateral security granted under the Dutch law Collateral Documents to the Administrative Agent to secure each Parallel Debt is granted to the Administrative Agent in its capacity as sole creditor of each Parallel Debt. All monies received or recovered by the Administrative Agent pursuant to this Section 10.23, and all amounts received or recovered by the Administrative Agent from or by the enforcement of any collateral security granted to secure each Parallel Debt, shall be applied in accordance with Section 8.03. Without limiting or affecting the Administrative Agent’s rights against the Loan Parties (whether under this Section 10.23 or under any other provision of the Loan Documents), each Loan Party acknowledges that: (x) nothing in this Section 10.23 shall impose any obligation on the Administrative Agent to advance any sum to any Loan Party or otherwise under any Loan Document, except in its capacity as Lender or L/C Issuer, as the case may be, pursuant to other terms of this Agreement; and (y) for the purpose of any vote taken under any Loan Document, the Administrative Agent shall not be regarded as having any participation or commitment other than those which it has in its capacity as a Lender or L/C Issuer, as the case may be. For the avoidance of doubt: (i) the Parallel Debt of each Loan Party will become due and payable (*opeisbaar*) at the same time its Corresponding Debt becomes due and payable; and (ii) without prejudice to this Section 10.23, a Loan Party may not repay or prepay its Parallel Debt unless directed to do so by the Administrative Agent or the collateral security is enforced by the Administrative Agent.

10.24. Waiver of Certain Notices Under the Existing Credit Agreement. Immediately prior to giving effect to this Agreement, the Existing Administrative Agent and each Lender that is a "Lender" under and as defined in the Existing Credit Agreement hereby agree to waive the requirements set forth in (i) Sections 2.06(a) and (b) of the Existing Credit Agreement requiring the Borrower to provide an Optional Prepayment Notice (as defined in the Existing Credit Agreement) not less than three Business Days prior to the date of prepayment of Eurocurrency Rate Revolving Loans or Term Loans (each as defined in the Existing Credit Agreement), respectively, and (b) Section 2.07 of the Existing Credit Agreement requiring the Borrower to provide an Optional Termination/Reduction Notice (as defined in the Existing Credit Agreement) not less than five Business Days prior to the date of termination of the Aggregate Revolving Commitments (as defined in the Existing Credit Agreement).

10.25. Acknowledgement and Consent to Bail-In of EEA Financial Institutions. Solely to the extent any Lender or L/C Issuer that is an EEA Financial Institution is a party to this Agreement and notwithstanding anything to the contrary in any Loan Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Lender or L/C Issuer that is an EEA Financial Institution arising under any Loan Document, to the extent such liability is unsecured, may be subject to the write-down and conversion powers of an EEA Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by an EEA Resolution Authority to any such liabilities arising hereunder which may be payable to it by any Lender or L/C Issuer that is an EEA Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

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

(iii) the variation of the terms of such liability in connection with the exercise of the write-down and conversion powers of any EEA Resolution Authority.

[Rest of page intentionally left blank; signature pages follow.]

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be duly executed as of the date first above written.

BORROWER:

EQUINIX, INC.

By: _____

Name: _____

Title: _____

GUARANTORS:

EQUINIX LLC

By: _____

Name: _____

Title: _____

SWITCH & DATA LLC

By: _____

Name: _____

Title: _____

BANK OF AMERICA, N.A.,
as Administrative Agent

By: _____

Name: _____

Title: _____

BANK OF AMERICA, N.A.,
as Existing Administrative Agent

By: _____

Name: _____

Title: _____

BANK OF AMERICA, N.A.,
as a Lender and L/C Issuer

By: _____

Name: _____

Title: _____

[OTHER LENDER],
as a Lender

By: _____

Name: _____

Title: _____

**CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Stephen M. Smith, certify that:

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

Dated: November 3, 2017

/s/ Stephen M. Smith

Stephen M. Smith
Chief Executive Officer and President

**CERTIFICATION PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002**

I, Keith D. Taylor, certify that:

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

Dated: November 3, 2017

/s/ Keith D. Taylor

Keith D. Taylor
Chief Financial Officer

**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 Equinix, Inc. (the "Company") on Form 10-Q for the period ending September 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Stephen M. Smith, Chief Executive Officer and President of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 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; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Stephen M. Smith

Stephen M. Smith
Chief Executive Officer and President

November 3, 2017

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350,
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Equinix, Inc. (the "Company") on Form 10-Q for the period ending September 30, 2017, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Keith D. Taylor, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. § 1350, as adopted pursuant to § 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; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and result of operations of the Company.

/s/ Keith D. Taylor

Keith D. Taylor
Chief Financial Officer

November 3, 2017