

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

FORM 10-Q

(Mark One)

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

For the quarterly period ended August 31, 2019

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: 001-9610

Carnival Corporation
(Exact name of registrant as
specified in its charter)

Republic of Panama
(State or other jurisdiction of
incorporation or organization)

59-1562976
(I.R.S. Employer Identification No.)

3655 N.W. 87th Avenue
Miami, Florida 33178-2428

(Address of principal
executive offices)
(Zip Code)

(305) 599-2600
(Registrant's telephone number,
including area code)

None
(Former name, former address
and former fiscal year, if
changed since last report)

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

Common Stock
(\$0.01 par value)

(Title of each class)

CCL
(Trading Symbol)

New York Stock Exchange, Inc.
(Name of each exchange on which registered)

Commission file number: 001-15136

Carnival plc
(Exact name of registrant as
specified in its charter)

England and Wales
(State or other jurisdiction of
incorporation or organization)

98-0357772
(I.R.S. Employer Identification No.)

Carnival House, 100 Harbour Parade,
Southampton SO15 1ST, United Kingdom

(Address of principal
executive offices)
(Zip Code)

011 44 23 8065 5000
(Registrant's telephone number,
including area code)

None
(Former name, former address
and former fiscal year, if
changed since last report)

Ordinary Shares each represented
by American Depositary Shares
(\$1.66 par value), Special Voting Share,
GBP 1.00 par value and Trust Shares
of beneficial interest in the
P&O Princess Special Voting Trust

(Title of each class)

CUK
(Trading Symbol)

New York Stock Exchange, Inc.
(Name of each exchange on which registered)

Indicate by check mark whether the registrants (1) have 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 registrants were required to file such reports), and (2) have been subject to such filing requirements for the past 90 days. Yes No

Indicate by check mark whether the registrants have submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrants were required to submit such files). Yes No

Indicate by check mark whether the registrants are large accelerated filers, accelerated filers, non-accelerated filers, smaller reporting companies, or emerging growth companies. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filers Accelerated filers Non-accelerated filers Smaller reporting companies Emerging growth companies

If emerging growth companies, indicate by check mark if the registrants have 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 registrants are shell companies (as defined in Rule 12b-2 of the Exchange Act). Yes No

At September 18, 2019, Carnival Corporation had outstanding 527,055,158 shares of Common Stock, \$0.01 par value.

At September 18, 2019, Carnival plc had outstanding 185,488,171 Ordinary Shares \$1.66 par value, one Special Voting Share, GBP 1.00 par value and 527,055,158 Trust Shares of beneficial interest in the P&O Princess Special Voting Trust.

CARNIVAL CORPORATION & PLC

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PART I - FINANCIAL INFORMATION
Item 1. Financial Statements.

CARNIVAL CORPORATION & PLC
CONSOLIDATED STATEMENTS OF INCOME
(UNAUDITED)
(in millions, except per share data)

| | Three Months Ended August 31, | | Nine Months Ended August 31, | |
|---|----------------------------------|-----------------|---------------------------------|-----------------|
| | 2019 | 2018 | 2019 | 2018 |
| Revenues | | | | |
| Cruise | | | | |
| Passenger ticket | \$ 4,477 | \$ 4,353 | \$ 10,934 | \$ 10,694 |
| Onboard and other | 1,855 | 1,316 | 4,811 | 3,509 |
| Tour and other | 200 | 167 | 299 | 222 |
| | <u>6,533</u> | <u>5,836</u> | <u>16,043</u> | <u>14,425</u> |
| Operating Costs and Expenses | | | | |
| Cruise | | | | |
| Commissions, transportation and other | 803 | 760 | 2,125 | 2,000 |
| Onboard and other | 668 | 207 | 1,620 | 485 |
| Payroll and related | 548 | 537 | 1,671 | 1,638 |
| Fuel | 401 | 434 | 1,204 | 1,166 |
| Food | 284 | 275 | 821 | 804 |
| Other ship operating | 719 | 655 | 2,192 | 2,115 |
| Tour and other | 109 | 90 | 198 | 140 |
| | <u>3,532</u> | <u>2,958</u> | <u>9,833</u> | <u>8,348</u> |
| Selling and administrative | 563 | 573 | 1,813 | 1,794 |
| Depreciation and amortization | 548 | 511 | 1,607 | 1,510 |
| | <u>4,643</u> | <u>4,042</u> | <u>13,252</u> | <u>11,653</u> |
| Operating Income | <u>1,890</u> | <u>1,794</u> | <u>2,791</u> | <u>2,772</u> |
| Nonoperating Income (Expense) | | | | |
| Interest income | 8 | 5 | 16 | 10 |
| Interest expense, net of capitalized interest | (52) | (49) | (157) | (147) |
| Gains on fuel derivatives, net | — | 4 | — | 61 |
| Other income (expense), net | (19) | (9) | (27) | 2 |
| | <u>(63)</u> | <u>(50)</u> | <u>(168)</u> | <u>(74)</u> |
| Income Before Income Taxes | <u>1,827</u> | <u>1,744</u> | <u>2,624</u> | <u>2,699</u> |
| Income Tax Expense, Net | <u>(47)</u> | <u>(37)</u> | <u>(56)</u> | <u>(40)</u> |
| Net Income | <u>\$ 1,780</u> | <u>\$ 1,707</u> | <u>\$ 2,567</u> | <u>\$ 2,659</u> |
| Earnings Per Share | | | | |
| Basic | <u>\$ 2.58</u> | <u>\$ 2.42</u> | <u>\$ 3.72</u> | <u>\$ 3.73</u> |
| Diluted | <u>\$ 2.58</u> | <u>\$ 2.41</u> | <u>\$ 3.71</u> | <u>\$ 3.72</u> |

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

CARNIVAL CORPORATION & PLC
CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME
(UNAUDITED)
(in millions)

| | Three Months Ended August 31, | | Nine Months Ended August 31, | |
|--|--|-----------------|---|-----------------|
| | 2019 | 2018 | 2019 | 2018 |
| Net Income | \$ 1,780 | \$ 1,707 | \$ 2,567 | \$ 2,659 |
| Items Included in Other Comprehensive Income (Loss) | | | | |
| Change in foreign currency translation adjustment | (101) | 15 | (215) | (50) |
| Other | (6) | — | (19) | (9) |
| Other Comprehensive Income (Loss) | (107) | 14 | (234) | (59) |
| Total Comprehensive Income | \$ 1,674 | \$ 1,722 | \$ 2,333 | \$ 2,600 |

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

CARNIVAL CORPORATION & PLC
CONSOLIDATED BALANCE SHEETS
(UNAUDITED)
(in millions, except par values)

| | August 31, 2019 | November 30, 2018 |
|--|--------------------|----------------------|
| ASSETS | | |
| Current Assets | | |
| Cash and cash equivalents | \$ 1,153 | \$ 982 |
| Trade and other receivables, net | 441 | 358 |
| Inventories | 482 | 450 |
| Prepaid expenses and other | 635 | 436 |
| Total current assets | <u>2,712</u> | <u>2,225</u> |
| Property and Equipment, Net | 36,466 | 35,336 |
| Goodwill | 2,886 | 2,925 |
| Other Intangibles | 1,166 | 1,176 |
| Other Assets | 771 | 738 |
| | <u>\$ 44,001</u> | <u>\$ 42,401</u> |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | |
| Current Liabilities | | |
| Short-term borrowings | \$ 238 | \$ 848 |
| Current portion of long-term debt | 1,607 | 1,578 |
| Accounts payable | 695 | 730 |
| Accrued liabilities and other | 1,718 | 1,654 |
| Customer deposits | 4,674 | 4,395 |
| Total current liabilities | <u>8,932</u> | <u>9,204</u> |
| Long-Term Debt | 8,893 | 7,897 |
| Other Long-Term Liabilities | 882 | 856 |
| Contingencies | | |
| Shareholders' Equity | | |
| Common stock of Carnival Corporation, \$0.01 par value; 1,960 shares authorized; 657 shares at 2019 and 656 shares at 2018 issued | 7 | 7 |
| Ordinary shares of Carnival plc, \$1.66 par value; 217 shares at 2019 and 2018 issued | 358 | 358 |
| Additional paid-in capital | 8,798 | 8,756 |
| Retained earnings | 26,576 | 25,066 |
| Accumulated other comprehensive income (loss) ("AOCI") | (2,183) | (1,949) |
| Treasury stock, 130 shares at 2019 and 129 shares at 2018 of Carnival Corporation and 57 shares at 2019 and 48 shares at 2018 of Carnival plc, at cost | (8,261) | (7,795) |
| Total shareholders' equity | <u>25,295</u> | <u>24,443</u> |
| | <u>\$ 44,001</u> | <u>\$ 42,401</u> |

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

CARNIVAL CORPORATION & PLC
CONSOLIDATED STATEMENTS OF CASH FLOWS
(UNAUDITED)
(in millions)

| | Nine Months Ended | |
|--|--------------------------|----------------|
| | August 31, | |
| | 2019 | 2018 |
| OPERATING ACTIVITIES | | |
| Net income | \$ 2,567 | \$ 2,659 |
| Adjustments to reconcile net income to net cash provided by (used in) operating activities | | |
| Depreciation and amortization | 1,607 | 1,510 |
| Impairments | 26 | 16 |
| Gains on fuel derivatives, net | — | (61) |
| Share-based compensation | 38 | 49 |
| Other, net | 29 | (22) |
| | <u>4,266</u> | <u>4,151</u> |
| Changes in operating assets and liabilities | | |
| Receivables | (101) | (61) |
| Inventories | 22 | (19) |
| Prepaid expenses and other | (220) | 76 |
| Accounts payable | (25) | (94) |
| Accrued liabilities and other | 63 | (166) |
| Customer deposits | 409 | 549 |
| Net cash provided by (used in) operating activities | <u>4,414</u> | <u>4,436</u> |
| INVESTING ACTIVITIES | | |
| Purchases of property and equipment | (3,448) | (2,784) |
| Proceeds from sales of ships | 15 | 282 |
| Payments of fuel derivative settlements | (6) | (37) |
| Other, net | 122 | (79) |
| Net cash provided by (used in) investing activities | <u>(3,317)</u> | <u>(2,617)</u> |
| FINANCING ACTIVITIES | | |
| Proceeds from (repayments of) short-term borrowings, net | (600) | 182 |
| Principal repayments of long-term debt | (472) | (1,271) |
| Proceeds from issuance of long-term debt | 1,722 | 1,618 |
| Dividends paid | (1,041) | (1,003) |
| Purchases of treasury stock | (472) | (1,205) |
| Other, net | (49) | (28) |
| Net cash provided by (used in) financing activities | <u>(912)</u> | <u>(1,707)</u> |
| Effect of exchange rate changes on cash, cash equivalents and restricted cash | (11) | 7 |
| Net increase (decrease) in cash, cash equivalents and restricted cash | 174 | 120 |
| Cash, cash equivalents and restricted cash at beginning of period | 996 | 422 |
| Cash, cash equivalents and restricted cash at end of period | <u>\$ 1,170</u> | <u>\$ 541</u> |

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

CARNIVAL CORPORATION & PLC
CONSOLIDATED STATEMENTS OF SHAREHOLDERS' EQUITY
(UNAUDITED)
(in millions)

| | Three Months Ended | | | | | | |
|--|--------------------|-----------------|----------------------------|-------------------|-------------------|-------------------|----------------------------|
| | Common stock | Ordinary shares | Additional paid-in capital | Retained earnings | AOCI | Treasury stock | Total shareholders' equity |
| At May 31, 2018 | \$ 7 | \$ 358 | \$ 8,721 | \$ 23,564 | \$ (1,855) | \$ (6,862) | \$ 23,933 |
| Net income | — | — | — | 1,707 | — | — | 1,707 |
| Other comprehensive income (loss) | — | — | — | — | 14 | — | 14 |
| Cash dividends declared (\$0.50 per share) | — | — | — | (350) | — | — | (350) |
| Purchases of treasury stock under the Repurchase Program and other | — | — | 19 | — | — | (670) | (651) |
| At August 31, 2018 | <u>\$ 7</u> | <u>\$ 358</u> | <u>\$ 8,741</u> | <u>\$ 24,921</u> | <u>\$ (1,840)</u> | <u>\$ (7,533)</u> | <u>\$ 24,654</u> |
| At May 31, 2019 | \$ 7 | \$ 358 | \$ 8,785 | \$ 25,138 | \$ (2,076) | \$ (8,104) | \$ 24,108 |
| Net income | — | — | — | 1,780 | — | — | 1,780 |
| Other comprehensive income (loss) | — | — | — | — | (107) | — | (107) |
| Cash dividends declared (\$0.50 per share) | — | — | — | (342) | — | — | (342) |
| Purchases of treasury stock under the Repurchase Program and other | — | — | 13 | — | — | (157) | (144) |
| At August 31, 2019 | <u>\$ 7</u> | <u>\$ 358</u> | <u>\$ 8,798</u> | <u>\$ 26,576</u> | <u>\$ (2,183)</u> | <u>\$ (8,261)</u> | <u>\$ 25,295</u> |
| | Nine Months Ended | | | | | | |
| | Common stock | Ordinary shares | Additional paid-in capital | Retained earnings | AOCI | Treasury stock | Total shareholders' equity |
| At November 30, 2017 | \$ 7 | \$ 358 | \$ 8,690 | \$ 23,292 | \$ (1,782) | \$ (6,349) | \$ 24,216 |
| Net income | — | — | — | 2,659 | — | — | 2,659 |
| Other comprehensive income (loss) | — | — | — | — | (59) | — | (59) |
| Cash dividends declared (\$1.45 per share) | — | — | — | (1,029) | — | — | (1,029) |
| Purchases of treasury stock under the Repurchase Program and other | — | — | 51 | — | — | (1,184) | (1,133) |
| At August 31, 2018 | <u>\$ 7</u> | <u>\$ 358</u> | <u>\$ 8,741</u> | <u>\$ 24,921</u> | <u>\$ (1,840)</u> | <u>\$ (7,533)</u> | <u>\$ 24,654</u> |
| At November 30, 2018 | \$ 7 | \$ 358 | \$ 8,756 | \$ 25,066 | \$ (1,949) | \$ (7,795) | \$ 24,443 |
| Changes in accounting principles (a) | — | — | — | (24) | — | — | (24) |
| Net income | — | — | — | 2,567 | — | — | 2,567 |
| Other comprehensive income (loss) | — | — | — | — | (234) | — | (234) |
| Cash dividends declared (\$1.50 per share) | — | — | — | (1,034) | — | — | (1,034) |
| Purchases of treasury stock under the Repurchase Program and other | — | — | 42 | — | — | (467) | (424) |
| At August 31, 2019 | <u>\$ 7</u> | <u>\$ 358</u> | <u>\$ 8,798</u> | <u>\$ 26,576</u> | <u>\$ (2,183)</u> | <u>\$ (8,261)</u> | <u>\$ 25,295</u> |

(a) We adopted the provisions of *Revenue from Contracts with Customers* and *Derivatives and Hedging* on December 1, 2018.

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

CARNIVAL CORPORATION & PLC
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

NOTE 1 – General

The consolidated financial statements include the accounts of Carnival Corporation and Carnival plc and their respective subsidiaries. Together with their consolidated subsidiaries, they are referred to collectively in these consolidated financial statements and elsewhere in this joint Quarterly Report on Form 10-Q as “Carnival Corporation & plc,” “our,” “us” and “we.”

Basis of Presentation

The Consolidated Statements of Income, the Consolidated Statements of Comprehensive Income, the Consolidated Statements of Cash Flows and the Consolidated Statements of Shareholders’ Equity for the three and nine months ended August 31, 2019 and 2018, and the Consolidated Balance Sheet at August 31, 2019 are unaudited and, in the opinion of our management, contain all adjustments, consisting of only normal recurring adjustments, necessary for a fair statement. Our interim consolidated financial statements should be read in conjunction with the audited consolidated financial statements and the related notes included in the Carnival Corporation & plc 2018 joint Annual Report on Form 10-K (“Form 10-K”) filed with the U.S. Securities and Exchange Commission on January 28, 2019. Our operations are seasonal and results for interim periods are not necessarily indicative of the results for the entire year.

Accounting Pronouncements

The Financial Accounting Standards Board (the “FASB”) issued guidance, *Revenue from Contracts with Customers* (“ASC 606”), which requires an entity to recognize the amount of revenue to which it expects to be entitled for the transfer of promised goods or services to customers. On December 1, 2018, we adopted this guidance using the modified retrospective method for all contracts as of the adoption date. Results for reporting periods beginning after December 1, 2018 are presented under ASC 606, while prior period amounts are not adjusted and continue to be reported in accordance with our historical accounting under ASC 605.

The impact of the adoption of ASC 606 on our consolidated financial statements primarily relates to the gross presentation of prepaid travel agent commissions (Consolidated Balance Sheet), shore excursions and other onboard revenues and costs (Consolidated Statement of Income) which were historically presented net. As of December 1, 2018, we recorded a cumulative effect adjustment of \$24 million to retained earnings related to the accounting for our loyalty programs.

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The following tables summarize the impacts of ASC 606 adoption on our consolidated financial statements:

| <i>(in millions)</i> | Three Months Ended August 31, 2019 | | |
|--|------------------------------------|-------------|-------------|
| | Prior to adoption of ASC 606 | Adjustments | As Reported |
| Consolidated Statement of Income | | | |
| Onboard and other (Revenues) | \$ 1,407 | \$ 449 | \$ 1,855 |
| Revenues (Total) | \$ 6,084 | \$ 449 | \$ 6,533 |
| Onboard and other (Operating Costs and Expenses) | \$ 219 | \$ 449 | \$ 668 |
| Operating Costs and Expenses (Total) | \$ 4,194 | \$ 449 | \$ 4,643 |
| Operating Income | \$ 1,890 | \$ — | \$ 1,890 |
| Net Income | \$ 1,780 | \$ — | \$ 1,780 |

| <i>(in millions)</i> | Nine Months Ended August 31, 2019 | | |
|--|-----------------------------------|-------------|-------------|
| | Prior to adoption of ASC 606 | Adjustments | As Reported |
| Consolidated Statement of Income | | | |
| Onboard and other (Revenues) | \$ 3,696 | \$ 1,115 | \$ 4,811 |
| Revenues (Total) | \$ 14,929 | \$ 1,115 | \$ 16,043 |
| Onboard and other (Operating Costs and Expenses) | \$ 506 | \$ 1,115 | \$ 1,620 |
| Operating Costs and Expenses (Total) | \$ 12,137 | \$ 1,115 | \$ 13,252 |
| Operating Income | \$ 2,791 | \$ — | \$ 2,791 |
| Net Income | \$ 2,567 | \$ — | \$ 2,567 |

| <i>(in millions)</i> | At August 31, 2019 | | |
|-----------------------------------|------------------------------|-------------|-------------|
| | Prior to adoption of ASC 606 | Adjustments | As Reported |
| Consolidated Balance Sheet | | | |
| Prepaid expenses and other | \$ 488 | \$ 147 | \$ 635 |
| Total current assets | \$ 2,565 | \$ 147 | \$ 2,712 |
| Customer deposits | \$ 4,527 | \$ 147 | \$ 4,674 |
| Total current liabilities | \$ 8,784 | \$ 147 | \$ 8,932 |

| <i>(in millions)</i> | Nine Months Ended August 31, 2019 | | |
|---|-----------------------------------|-------------|-------------|
| | Prior to adoption of ASC 606 | Adjustments | As Reported |
| Consolidated Statement of Cash Flows | | | |
| Prepaid expenses and other | \$ (73) | \$ (147) | \$ (220) |
| Customer deposits | \$ 262 | \$ 147 | \$ 409 |
| Net cash provided by operating activities | \$ 4,414 | \$ — | \$ 4,414 |

The FASB issued amended guidance, *Business Combinations - Clarifying the Definition of a Business*, which assists entities with evaluating whether transactions should be accounted for as acquisitions (or disposals) of assets or businesses. On December 1, 2018, we adopted this guidance using the prospective transition method. The adoption of this guidance had no impact on our consolidated financial statements.

The FASB issued amended guidance, *Statement of Cash Flows - Classification of Certain Cash Receipts and Cash Payments*, which clarifies how certain cash receipts and cash payments are presented and classified in the statement of cash flows. The amendments are aimed at reducing the existing diversity in practice. On December 1, 2018, we adopted this guidance using the retrospective method for each period presented. The adoption of this guidance had no impact on our consolidated financial statements.

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The FASB issued amended guidance, *Statement of Cash Flows - Restricted Cash*. On December 1, 2018, we adopted this guidance using the retrospective method for each period presented. As a result, we now present restricted cash with cash and cash equivalents in the statement of cash flows. The reclassification of restricted cash balances from investing activities to changes in cash, cash equivalents and restricted cash was not material for the period presented.

The FASB issued amended guidance, *Service Concession Arrangements*, which clarifies that the grantor in a service arrangement should be considered the customer of the operating entity in all cases. On December 1, 2018, we adopted this guidance using the modified retrospective method. The adoption of this guidance had no impact on our consolidated financial statements.

The FASB issued amended guidance, *Derivatives and Hedging*, which targeted improvements to accounting for hedging activities such as hedging strategies, effectiveness assessments and recognition of derivative gains or losses. On December 1, 2018, we early adopted this guidance using the modified retrospective approach, which did not have a material impact on our financial statements. At the time of adoption, we changed the method by which we assess effectiveness for outstanding net investment hedges from the forward method to the spot method. Under the spot method, the change in fair value of the hedging instrument attributable to hedge effectiveness remains in AOCI until the net investment is sold or liquidated, while the impact attributable to components excluded from the assessment of hedge effectiveness is recorded in interest expense, net of capitalized interest, on a systematic and rational basis. Previous gains or losses incurred under the forward method related to net investment hedges will remain in AOCI within the foreign currency translation adjustments component and will be reclassified to earnings when the net investment is sold or liquidated. As required by this guidance, we have also added certain disclosures about hedging activities and their effect on our consolidated financial statements.

The FASB issued guidance, *Leases*, which requires an entity to recognize both assets and liabilities arising from financing and operating leases, along with additional qualitative and quantitative disclosures. This guidance is required to be adopted by us in the first quarter of 2020 and must be applied using a modified retrospective approach which allows entities to either apply the new lease standard to the beginning of the earliest period presented or only to the current period consolidated financial statements. The initial adoption of this guidance is expected to increase both our total assets and total liabilities, reflecting the lease rights and obligations arising from our lease arrangements, and will require additional disclosures. We are evaluating certain contractual arrangements to determine if they contain an implicit right to use an asset that would qualify as a leasing arrangement under the new guidance.

The FASB issued amended guidance, *Intangibles - Goodwill and Other - Internal-Use Software*, which requires a customer in a cloud computing arrangement that is a service contract to follow the internal-use software guidance to determine which implementation costs to capitalize as assets or expense as incurred. The expense related to deferred implementation costs is required to be presented in the same income statement line item as the related hosting fees. Additionally, the payments for deferred implementation costs are required to be presented in the same line item in the statement of cash flows as payments for the related hosting fees. This guidance is required to be adopted by us in the first quarter of 2021 and must be applied using either a prospective or a retrospective approach. Early adoption is permitted. We are currently evaluating the impact this guidance will have on our consolidated financial statements.

NOTE 2 – Revenue and Expense Recognition

Guest cruise deposits represent unearned revenues and are initially included in customer deposit liabilities when received. Customer deposits are subsequently recognized as cruise revenues, together with revenues from onboard and other activities, and all associated direct costs and expenses of a voyage are recognized as cruise costs and expenses, upon completion of voyages with durations of ten nights or less and on a pro rata basis for voyages in excess of ten nights. The impact of recognizing these shorter duration cruise revenues and costs and expenses on a completed voyage basis versus on a pro rata basis is not significant. Certain of our product offerings are bundled and we allocate the value of the bundled services and goods between passenger ticket revenues, onboard and other revenues and tour and other revenues based upon the estimated standalone selling prices of those goods and services.

Future travel discount vouchers are included as a reduction of cruise passenger ticket revenues when such vouchers are utilized. Guest cancellation fees are recognized in cruise passenger ticket revenues at the time of cancellation.

Our sale to guests of air and other transportation to and from airports near the home ports of our ships are included in cruise passenger ticket revenues, and the related cost of purchasing these services are included in cruise transportation costs. The proceeds that we collect from the sales of third-party shore excursions are included in onboard and other revenues and the related costs are included in onboard and other costs. The amounts collected on behalf of our onboard concessionaires, net of

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the amounts remitted to them, are included in onboard and other cruise revenues as concession revenues. All of these amounts are recognized on a completed voyage or pro rata basis as discussed above.

Cruise passenger ticket revenues include fees, taxes and charges collected by us from our guests. A portion of these fees, taxes and charges vary with guest head counts and are directly imposed on a revenue-producing arrangement. This portion of the fees, taxes and charges is expensed in commissions, transportation and other costs when the corresponding revenues are recognized. For the three and nine months ended August 31, the fees, taxes and charges included in passenger ticket revenues and commissions, transportation and other costs were \$186 million and \$503 million in 2019 and \$174 million and \$465 million in 2018. The remaining portion of fees, taxes and charges are also included in cruise passenger ticket revenues and are expensed in other ship operating expenses when the corresponding revenues are recognized.

Revenues and expenses from our hotel and transportation operations, which are included in our Tour and Other segment, are recognized at the time the services are performed or expenses are incurred. Revenues from the long-term leasing of ships, which are also included in our Tour and Other segment, are recognized ratably over the term of the agreement.

Customer Deposits

Our payment terms generally require an initial deposit to confirm a reservation, with the balance due prior to the voyage. Cash received from guests in advance of the cruise is recorded in customer deposits and in other long-term liabilities on our Consolidated Balance Sheets. These amounts include refundable deposits. We had customer deposits of \$4.9 billion and \$4.7 billion as of August 31, 2019 and December 1, 2018. During the nine months ended August 31, 2019, we recognized revenues of \$4.1 billion related to our customer deposits as of December 1, 2018. Our customer deposits balance changes due to the seasonal nature of cash collections, the recognition of revenue and foreign currency translation.

Contract Receivables

Although we generally require full payment from our customers prior to or concurrently with their cruise, we grant credit terms to a relatively small portion of our revenue source. We also have receivables from credit card merchants for cruise ticket purchases and onboard revenue. These receivables are included within trade and other receivables, net.

Contract Assets

Contract assets are amounts paid prior to the start of a voyage, which we record as an asset within prepaid expenses and other and which are subsequently recognized as commissions, transportation and other at the time of revenue recognition. We have contract assets of \$147 million and \$151 million as of August 31, 2019 and December 1, 2018.

NOTE 3 – Unsecured Debt

At August 31, 2019, our short-term borrowings consisted of euro-denominated commercial paper of \$238 million. For the nine months ended August 31, 2019, there were no borrowings or repayments of commercial paper with original maturities greater than three months. For the nine months ended August 31, 2018, we had borrowings of \$2 million and repayments of \$2 million of commercial paper with original maturities greater than three months.

In December 2018, we borrowed \$852 million under an export credit facility due in semi-annual installments through 2031.

In February 2019, we borrowed \$587 million under a euro-denominated export credit facility due in semi-annual installments through 2031. We also entered into an \$899 million export credit facility, which may be drawn in euro or U.S. dollars in 2023 and will be due in semi-annual installments through 2035. The interest rate on this export credit facility can be fixed or floating, at our discretion.

In March 2019, we borrowed \$283 million under two euro-denominated floating rate bank loans due in 2023.

In August 2019, we amended and restated our existing multi-currency revolving credit facility which was scheduled to expire in 2021. The amended and restated five-year multi-currency revolving credit facility of \$3.0 billion (comprised of \$1.7 billion, €1.0 billion and £150 million) expires in 2024.

NOTE 4 – Contingencies

Litigation

On May 2, 2019, two lawsuits were filed against Carnival Corporation in the U.S. District Court for the Southern District of Florida under Title III of the Cuban Liberty and Democratic Solidarity Act, also known as the Helms-Burton Act. The complaint filed by Havana Docks Corporation alleges it holds an interest in the Havana Cruise Port Terminal and the complaint filed by Javier Garcia-Bengochea alleges that he holds an interest in the Port of Santiago, Cuba, both of which were expropriated by the Cuban Government. The complaints further allege that Carnival Cruise Line “trafficked” in those properties by embarking and disembarking passengers at these facilities. The plaintiffs seek all available statutory remedies, including the value of the expropriated property, plus interest, treble damages, attorneys’ fees and costs. The court denied our motion to dismiss the complaints filed by Havana Docks Corporation and Javier Garcia-Bengochea, on August 28, 2019 and August 26, 2019, respectively.

We believe we have meritorious defenses to the claims and intend to vigorously defend against them. We do not believe that it is likely that the outcome of these matters will be material, but litigation is inherently unpredictable and there can be no assurances that the final outcome of the case might not be material to our operating results or financial condition.

Additionally, in the normal course of our business, various claims and lawsuits have been filed or are pending against us. Most of these claims and lawsuits, or any settlement of claims and lawsuits, are covered by insurance and the maximum amount of our liability, net of any insurance recoverables, is typically limited to our self-insurance retention levels. We believe the ultimate outcome of these claims, lawsuits and settlements, as applicable, each and in the aggregate, will not have a material impact on our consolidated financial statements.

Contingent Obligations – Indemnifications

Some of the debt contracts we enter into include indemnification provisions obligating us to make payments to the counterparty if certain events occur. These contingencies generally relate to changes in taxes or changes in laws which increase our lender’s costs. There are no stated or notional amounts included in the indemnification clauses, and we are not able to estimate the maximum potential amount of future payments, if any, under these indemnification clauses.

NOTE 5 – Fair Value Measurements, Derivative Instruments and Hedging Activities and Financial Risks

Fair Value Measurements

Fair value is defined as the amount that would be received for selling an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date and is measured using inputs in one of the following three categories:

- Level 1 measurements are based on unadjusted quoted prices in active markets for identical assets or liabilities that we have the ability to access. Valuation of these items does not entail a significant amount of judgment.
- Level 2 measurements are based on quoted prices for similar assets or liabilities in active markets, quoted prices for identical or similar assets or liabilities in markets that are not active or market data other than quoted prices that are observable for the assets or liabilities.
- Level 3 measurements are based on unobservable data that are supported by little or no market activity and are significant to the fair value of the assets or liabilities.

Considerable judgment may be required in interpreting market data used to develop the estimates of fair value. Accordingly, certain estimates of fair value presented herein are not necessarily indicative of the amounts that could be realized in a current or future market exchange.

Financial Instruments that are not Measured at Fair Value on a Recurring Basis

| <i>(in millions)</i> | August 31, 2019 | | | | November 30, 2018 | | | |
|----------------------------|-----------------|------------|-----------|---------|-------------------|------------|-----------|---------|
| | Carrying Value | Fair Value | | | Carrying Value | Fair Value | | |
| | | Level 1 | Level 2 | Level 3 | | Level 1 | Level 2 | Level 3 |
| Assets | | | | | | | | |
| Long-term other assets (a) | \$ 186 | \$ — | \$ 31 | \$ 154 | \$ 127 | \$ — | \$ 30 | \$ 95 |
| Total | \$ 186 | \$ — | \$ 31 | \$ 154 | \$ 127 | \$ — | \$ 30 | \$ 95 |
| Liabilities | | | | | | | | |
| Fixed rate debt (b) | \$ 6,560 | \$ — | \$ 6,947 | \$ — | \$ 5,699 | \$ — | \$ 5,799 | \$ — |
| Floating rate debt (b) | 4,278 | — | 4,338 | — | 4,695 | — | 4,727 | — |
| Total | \$ 10,839 | \$ — | \$ 11,285 | \$ — | \$ 10,394 | \$ — | \$ 10,526 | \$ — |

- (a) Long-term other assets are comprised of notes receivables, which include loans on ship sales. The fair values of our Level 2 notes receivable were based on estimated future cash flows discounted at appropriate market interest rates. The fair values of our Level 3 notes receivable were estimated using risk-adjusted discount rates.
- (b) The debt amounts above do not include the impact of interest rate swaps or debt issuance costs. The fair values of our publicly-traded notes were based on their unadjusted quoted market prices in markets that are not sufficiently active to be Level 1 and, accordingly, are considered Level 2. The fair values of our other debt were estimated based on current market interest rates being applied to this debt.

Financial Instruments that are Measured at Fair Value on a Recurring Basis

| <i>(in millions)</i> | August 31, 2019 | | | November 30, 2018 | | |
|----------------------------------|-----------------|---------|---------|-------------------|---------|---------|
| | Level 1 | Level 2 | Level 3 | Level 1 | Level 2 | Level 3 |
| Assets | | | | | | |
| Cash and cash equivalents | \$ 1,153 | \$ — | \$ — | \$ 982 | \$ — | \$ — |
| Restricted cash | 16 | — | — | 14 | — | — |
| Derivative financial instruments | — | 37 | — | — | — | — |
| Total | \$ 1,170 | \$ 37 | \$ — | \$ 996 | \$ — | \$ — |
| Liabilities | | | | | | |
| Derivative financial instruments | \$ — | \$ 25 | \$ — | \$ — | \$ 29 | \$ — |
| Total | \$ — | \$ 25 | \$ — | \$ — | \$ 29 | \$ — |

Nonfinancial Instruments that are Measured at Fair Value on a Nonrecurring Basis

Valuation of Goodwill and Trademarks

| <i>(in millions)</i> | Goodwill | | |
|---|--------------------|-------------------|----------|
| | NAA (a) Segment | EA (b) Segment | Total |
| At November 30, 2018 | \$ 1,898 | \$ 1,027 | \$ 2,925 |
| Foreign currency translation adjustment | — | (39) | (39) |
| At August 31, 2019 | \$ 1,898 | \$ 988 | \$ 2,886 |

- (a) North America & Australia (“NAA”)
(b) Europe & Asia (“EA”)

| <i>(in millions)</i> | Trademarks | | |
|---|------------------------|-----------------------|--------------|
| | NAA Segment | EA Segment | Total |
| At November 30, 2018 | \$ 927 | \$ 242 | \$ 1,169 |
| Foreign currency translation adjustment | — | (10) | (10) |
| At August 31, 2019 | \$ 927 | \$ 232 | \$ 1,159 |

The determination of our reporting unit goodwill and trademark fair values includes numerous assumptions that are subject to various risks and uncertainties. We believe that we have made reasonable estimates and judgments. A change in the conditions, circumstances or strategy, including decisions about the allocation of new ships amongst brands and the transfer of ships between brands (influencing fair values in the future), may result in a need to recognize an impairment charge.

Derivative Instruments and Hedging Activities

| <i>(in millions)</i> | Balance Sheet Location | August 31, 2019 | November 30, 2018 |
|---|--|------------------------|--------------------------|
| <u>Derivative assets</u> | | | |
| Derivatives designated as hedging instruments | | | |
| Cross currency swaps (a) | Prepaid expenses and other | \$ 20 | \$ — |
| | Other assets | 18 | — |
| Total derivative assets | | <u>\$ 37</u> | <u>\$ —</u> |
| <u>Derivative liabilities</u> | | | |
| Derivatives designated as hedging instruments | | | |
| Cross currency swaps (a) | Accrued liabilities and other | \$ — | \$ 5 |
| | Foreign currency zero cost collars (b) | 5 | — |
| Interest rate swaps (c) | Accrued liabilities and other | 7 | 8 |
| | Other long-term liabilities | 12 | 11 |
| | | <u>25</u> | <u>23</u> |
| Derivatives not designated as hedging instruments | | | |
| Fuel | Accrued liabilities and other | — | 6 |
| Total derivative liabilities | | <u>\$ 25</u> | <u>\$ 29</u> |

- (a) At August 31, 2019 and November 30, 2018, we had cross currency swaps totaling \$943 million and \$156 million, respectively, that are designated as hedges of our net investment in foreign operations with a euro-denominated functional currency. At August 31, 2019, these cross currency swaps settle through December 2030.
- (b) At August 31, 2019, we had foreign currency derivatives consisting of foreign currency zero cost collars that are designated as foreign currency cash flow hedges for a portion of our euro-denominated shipbuilding payments. See “Newbuild Currency Risks” below for additional information regarding these derivatives.
- (c) We have interest rate swaps designated as cash flow hedges whereby we receive floating interest rate payments in exchange for making fixed interest rate payments. These interest rate swap agreements effectively changed \$326 million at August 31, 2019 and \$385 million at November 30, 2018 of EURIBOR-based floating rate euro debt to fixed rate euro debt. At August 31, 2019, these interest rate swaps settle through March 2025.

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Our derivative contracts include rights of offset with our counterparties. We have elected to net certain of our derivative assets and liabilities within counterparties.

| August 31, 2019 | | | | | |
|------------------------|----------------------|--|---|--|--------------------|
| <i>(in millions)</i> | Gross Amounts | Gross Amounts Offset in the Balance Sheet | Total Net Amounts Presented in the Balance Sheet | Gross Amounts not Offset in the Balance Sheet | Net Amounts |
| Assets | \$ 38 | \$ (1) | \$ 37 | \$ (1) | \$ 36 |
| Liabilities | \$ 26 | \$ (1) | \$ 25 | \$ (1) | \$ 24 |

| November 30, 2018 | | | | | |
|--------------------------|----------------------|--|---|--|--------------------|
| <i>(in millions)</i> | Gross Amounts | Gross Amounts Offset in the Balance Sheet | Total Net Amounts Presented in the Balance Sheet | Gross Amounts not Offset in the Balance Sheet | Net Amounts |
| Assets | \$ — | \$ — | \$ — | \$ — | \$ — |
| Liabilities | \$ 29 | \$ — | \$ 29 | \$ — | \$ 29 |

The effect of our derivatives qualifying and designated as hedging instruments recognized in other comprehensive income (loss) and in income was as follows:

| <i>(in millions)</i> | Three Months Ended August 31, | | Nine Months Ended August 31, | |
|---|--|-------------|---|-------------|
| | 2019 | 2018 | 2019 | 2018 |
| Gains (losses) recognized in AOCI: | | | | |
| Cross currency swaps – net investment hedges | \$ 19 | \$ 3 | \$ 38 | \$ 13 |
| Foreign currency zero cost collars – cash flow hedges | \$ (4) | \$ (1) | \$ (5) | \$ (11) |
| Interest rate swaps – cash flow hedges | \$ (1) | \$ 1 | \$ (1) | \$ 5 |
| Gains (losses) reclassified from AOCI – cash flow hedges: | | | | |
| Interest rate swaps – Interest expense, net of capitalized interest | \$ (2) | \$ (2) | \$ (6) | \$ (8) |
| Foreign currency zero cost collars – Depreciation and amortization | \$ — | \$ — | \$ 1 | \$ — |
| Gains (losses) recognized on derivative instruments (amount excluded from effectiveness testing – net investment hedges) | | | | |
| Cross currency swaps – Interest expense, net of capitalized interest | \$ 6 | \$ — | \$ 16 | \$ — |

The amount of estimated cash flow hedges' unrealized gains and losses that are expected to be reclassified to earnings in the next twelve months is not significant.

Financial Risks

Fuel Price Risks

We manage our exposure to fuel price risk by managing our consumption of fuel. Substantially all of our exposure to market risk for changes in fuel prices relates to the consumption of fuel on our ships. We manage fuel consumption through ship maintenance practices, modifying our itineraries and implementing innovative technologies. We are also adding new, more fuel efficient ships to our fleet and are strategically disposing of smaller, less fuel efficient ships.

Foreign Currency Exchange Rate Risks

Overall Strategy

We manage our exposure to fluctuations in foreign currency exchange rates through our normal operating and financing activities, including netting certain exposures to take advantage of any natural offsets and, when considered appropriate, through the use of derivative and non-derivative financial instruments. Our primary focus is to monitor our exposure to, and manage, the economic foreign currency exchange risks faced by our operations and realized if we exchange one currency for another. We currently only hedge certain of our ship commitments and net investments in foreign operations. The financial impacts of the hedging instruments we do employ generally offset the changes in the underlying exposures being hedged.

Operational Currency Risks

Our operations primarily utilize the U.S. dollar, Australian dollar, euro or sterling as their functional currencies. Our operations also have revenue and expenses denominated in non-functional currencies. Movements in foreign currency exchange rates will affect our financial statements.

Investment Currency Risks

We consider our investments in foreign operations to be denominated in stable currencies. Our investments in foreign operations are of a long-term nature. At August 31, 2019, we had \$6.6 billion and \$806 million of euro- and sterling-denominated debt, respectively, including the effect of cross currency swaps, which provide an economic offset for our operations with euro and sterling functional currency. We also partially mitigate our net investment currency exposures by denominating a portion of our foreign currency intercompany payables in our foreign operations' functional currencies.

Newbuild Currency Risks

Our shipbuilding contracts are typically denominated in euros. Our decision to hedge a non-functional currency ship commitment for our cruise brands is made on a case-by-case basis, considering the amount and duration of the exposure, market volatility, economic trends, our overall expected net cash flows by currency and other offsetting risks. We use foreign currency derivative contracts to manage foreign currency exchange rate risk for some of our ship construction payments. At August 31, 2019, for the following newbuilds, we had foreign currency zero cost collars for a portion of our euro-denominated shipyard payments. These collars are designated as cash flow hedges.

| | Entered Into | Matures in | Weighted-Average Floor Rate | Weighted- Average Ceiling Rate |
|---------------------------|---------------------|-------------------|------------------------------------|---------------------------------------|
| <i>Carnival Panorama</i> | 2019 | October 2019 | \$ 1.05 | \$ 1.28 |
| <i>Enchanted Princess</i> | 2019 | June 2020 | \$ 1.04 | \$ 1.28 |
| <i>Mardi Gras</i> | 2019 | August 2020 | \$ 1.04 | \$ 1.28 |

If the spot rate is between the ceiling and floor rates on the date of maturity, then we would not owe or receive any payments under these collars.

At August 31, 2019, our remaining newbuild currency exchange rate risk primarily relates to euro-denominated newbuild contract payments to non-euro functional currency brands, which represent a total unhedged commitment of \$7.5 billion for newbuilds scheduled to be delivered from 2020 through 2025.

The cost of shipbuilding orders that we may place in the future that is denominated in a different currency than our cruise brands' will be affected by foreign currency exchange rate fluctuations. These foreign currency exchange rate fluctuations may affect our decision to order new cruise ships.

Interest Rate Risks

We manage our exposure to fluctuations in interest rates through our debt portfolio management and investment strategies. We evaluate our debt portfolio to determine whether to make periodic adjustments to the mix of fixed and floating rate debt through the use of interest rate swaps, issuance of new debt, amendment of existing debt or early retirement of existing debt.

Concentrations of Credit Risk

As part of our ongoing control procedures, we monitor concentrations of credit risk associated with financial and other institutions with which we conduct significant business. We seek to minimize these credit risk exposures, including counterparty nonperformance primarily associated with our cash equivalents, investments, notes receivables, committed financing facilities, contingent obligations, derivative instruments, insurance contracts, long-term ship charters and new ship progress payment guarantees, by:

- Conducting business with large, well-established financial institutions, insurance companies and export credit agencies
- Diversifying our counterparties
- Having guidelines regarding credit ratings and investment maturities that we follow to help safeguard liquidity and minimize risk

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- Generally requiring collateral and/or guarantees to support notes receivable on significant asset sales, long-term ship charters and new ship progress payments to shipyards

We believe the risk of nonperformance by any of our significant counterparties is remote. At August 31, 2019, our exposures under foreign currency contracts, cross currency swaps and interest rate swap agreements were not material. We also monitor the creditworthiness of travel agencies and tour operators in Asia, Australia and Europe, which includes charter-hire agreements in Asia and credit and debit card providers to which we extend credit in the normal course of our business. Our credit exposure also includes contingent obligations related to cash payments received directly by travel agents and tour operators for cash collected by them on cruise sales in Australia and most of Europe where we are obligated to honor our guests' cruise payments made by them to their travel agents and tour operators regardless of whether we have received these payments. Concentrations of credit risk associated with trade receivables, charter-hire agreements and contingent obligations are not considered to be material, principally due to the large number of unrelated accounts, the nature of these contingent obligations and their short maturities. We have not experienced significant credit losses on our trade receivables, notes receivables, charter-hire agreements and contingent obligations. We do not normally require collateral or other security to support normal credit sales.

NOTE 6 – Segment Information

Our operating segments are reported on the same basis as the internally reported information that is provided to our chief operating decision maker (“CODM”), who is the President and Chief Executive Officer of Carnival Corporation and Carnival plc. The CODM assesses performance and makes decisions to allocate resources for Carnival Corporation & plc based upon review of the results across all of our segments. Our four reportable segments are comprised of (1) NAA cruise operations, (2) EA cruise operations, (3) Cruise Support and (4) Tour and Other.

The operating segments within each of our NAA and EA reportable segments have been aggregated based on the similarity of their economic and other characteristics, including geographic guest sourcing. Our Cruise Support segment includes our portfolio of leading port destinations and other services, all of which are operated for the benefit of our cruise brands. Our Tour and Other segment represents the hotel and transportation operations of Holland America Princess Alaska Tours and other operations.

Three Months Ended August 31,

| <i>(in millions)</i> | Revenues | Operating costs and expenses | Selling and administrative | Depreciation and amortization | Operating income (loss) |
|----------------------|-----------------|-------------------------------------|-----------------------------------|--------------------------------------|--------------------------------|
| 2019 | | | | | |
| NAA | \$ 4,256 | \$ 2,327 | \$ 339 | \$ 345 | \$ 1,246 |
| EA | 2,035 | 1,058 | 150 | 165 | 662 |
| Cruise Support | 42 | 39 | 65 | 29 | (92) |
| Tour and Other | 200 | 109 | 9 | 9 | 74 |
| | <u>\$ 6,533</u> | <u>\$ 3,532</u> | <u>\$ 563</u> | <u>\$ 548</u> | <u>\$ 1,890</u> |
| 2018 | | | | | |
| NAA | \$ 3,805 | \$ 1,981 | \$ 333 | \$ 323 | \$ 1,168 |
| EA | 1,832 | 891 | 172 | 150 | 621 |
| Cruise Support | 31 | (4) | 64 | 28 | (57) |
| Tour and Other | 167 | 90 | 4 | 10 | 62 |
| | <u>\$ 5,836</u> | <u>\$ 2,958</u> | <u>\$ 573</u> | <u>\$ 511</u> | <u>\$ 1,794</u> |

Nine Months Ended August 31,

| <i>(in millions)</i> | Revenues | Operating costs and expenses | Selling and administrative | Depreciation and amortization | Operating income (loss) |
|----------------------|------------------|-------------------------------------|-----------------------------------|--------------------------------------|--------------------------------|
| 2019 | | | | | |
| NAA | \$ 10,495 | \$ 6,370 | \$ 1,034 | \$ 1,012 | \$ 2,079 |
| EA | 5,122 | 3,166 | 540 | 483 | 933 |
| Cruise Support | 128 | 99 | 217 | 84 | (272) |
| Tour and Other | 299 | 198 | 21 | 28 | 52 |
| | <u>\$ 16,043</u> | <u>\$ 9,833</u> | <u>\$ 1,813</u> | <u>\$ 1,607</u> | <u>\$ 2,791</u> |
| 2018 | | | | | |
| NAA | \$ 9,325 | \$ 5,385 | \$ 1,039 | \$ 940 | \$ 1,961 |
| EA | 4,784 | 2,783 | 551 | 466 | 984 |
| Cruise Support | 94 | 40 | 183 | 76 | (204) |
| Tour and Other | 222 | 140 | 22 | 29 | 31 |
| | <u>\$ 14,425</u> | <u>\$ 8,348</u> | <u>\$ 1,794</u> | <u>\$ 1,510</u> | <u>\$ 2,772</u> |

Revenue by geographic areas, which are based on where our guests are sourced, were as follows:

| <i>(in millions)</i> | Three Months Ended August 31, 2019 | Nine Months Ended August 31, 2019 |
|----------------------|---|--|
| North America | \$ 3,751 | \$ 8,910 |
| Europe | 1,738 | 4,486 |
| Australia and Asia | 937 | 2,261 |
| Other | 107 | 385 |
| | <u>\$ 6,533</u> | <u>\$ 16,043</u> |

NOTE 7 – Earnings Per Share

| | Three Months Ended August 31, | | Nine Months Ended August 31, | |
|---|----------------------------------|----------|---------------------------------|----------|
| | 2019 | 2018 | 2019 | 2018 |
| <i>(in millions, except per share data)</i> | | | | |
| Net income for basic and diluted earnings per share | \$ 1,780 | \$ 1,707 | \$ 2,567 | \$ 2,659 |
| Weighted-average shares outstanding | 689 | 706 | 691 | 712 |
| Dilutive effect of equity plans | 2 | 2 | 2 | 2 |
| Diluted weighted-average shares outstanding | 691 | 707 | 693 | 714 |
| Basic earnings per share | \$ 2.58 | \$ 2.42 | \$ 3.72 | \$ 3.73 |
| Diluted earnings per share | \$ 2.58 | \$ 2.41 | \$ 3.71 | \$ 3.72 |

NOTE 8 – Supplemental Cash Flow Information

| <i>(in millions)</i> | August 31, 2019 | November 30, 2018 |
|--|-----------------|-------------------|
| Cash and cash equivalents (Consolidated Balance Sheets) | \$ 1,153 | \$ 982 |
| Restricted cash included in prepaid expenses and other and other assets | 16 | 14 |
| Total cash, cash equivalents and restricted cash (Consolidated Statements of Cash Flows) | \$ 1,170 | \$ 996 |

For the nine months ended August 31, 2019 and 2018, we issued notes receivable upon sale of ships of \$104 million and \$35 million.

NOTE 9 – Property and Equipment

In March 2019, we sold and transferred an NAA segment 1,680-passenger capacity ship.

In April 2019, we sold and transferred an NAA segment 1,260-passenger capacity ship.

In July 2019, we transferred an NAA segment 840-passenger capacity ship.

In August 2019, we transferred an EA segment 1,880-passenger capacity ship.

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

Cautionary Note Concerning Factors That May Affect Future Results

Some of the statements, estimates or projections contained in this document are "forward-looking statements" that involve risks, uncertainties and assumptions with respect to us, including some statements concerning future results, outlooks, plans, goals and other events which have not yet occurred. These statements are intended to qualify for the safe harbors from liability provided by Section 27A of the Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934. All statements other than statements of historical facts are statements that could be deemed forward-looking. These statements are based on current expectations, estimates, forecasts and projections about our business and the industry in which we operate and the beliefs and assumptions of our management. We have tried, whenever possible, to identify these statements by using words like "will," "may," "could," "should," "would," "believe," "depends," "expect," "goal," "anticipate," "forecast," "project," "future," "intend," "plan," "estimate," "target," "indicate," "outlook," and similar expressions of future intent or the negative of such terms.

Forward-looking statements include those statements that relate to our outlook and financial position including, but not limited to, statements regarding:

- Net revenue yields
- Booking levels
- Pricing and occupancy
- Interest, tax and fuel expenses
- Currency exchange rates
- Net cruise costs, excluding fuel per available lower berth day
- Estimates of ship depreciable lives and residual values
- Goodwill, ship and trademark fair values
- Liquidity
- Adjusted earnings per share

Because forward-looking statements involve risks and uncertainties, there are many factors that could cause our actual results, performance or achievements to differ materially from those expressed or implied by our forward-looking statements. This note contains important cautionary statements of the known factors that we consider could materially affect the accuracy of our forward looking statements and adversely affect our business, results of operations and financial position. It is not possible to predict or identify all such risks. There may be additional risks that we consider immaterial or which are unknown. These factors include, but are not limited to, the following:

- Adverse world events impacting the ability or desire of people to travel may lead to a decline in demand for cruises
- Incidents concerning our ships, guests or the cruise vacation industry as well as adverse weather conditions and other natural disasters may impact the satisfaction of our guests and crew and lead to reputational damage
- Changes in and non-compliance with laws and regulations under which we operate, such as those relating to health, environment, safety and security, data privacy and protection, anti-corruption, economic sanctions, trade protection and tax may lead to litigation, enforcement actions, fines, penalties and reputational damage
- Breaches in data security and lapses in data privacy as well as disruptions and other damages to our principal offices, information technology operations and system networks and failure to keep pace with developments in technology may adversely impact our business operations, the satisfaction of our guests and crew and lead to reputational damage
- Ability to recruit, develop and retain qualified shipboard personnel who live away from home for extended periods of time may adversely impact our business operations, guest services and satisfaction
- Increases in fuel prices and availability of fuel supply may adversely impact our scheduled itineraries and costs
- Fluctuations in foreign currency exchange rates may adversely impact our financial results
- Overcapacity and competition in the cruise and land-based vacation industry may lead to a decline in our cruise sales and pricing
- Geographic regions in which we try to expand our business may be slow to develop or ultimately not develop how we expect
- Inability to implement our shipbuilding programs and ship repairs, maintenance and refurbishments may adversely impact our business operations and the satisfaction of our guests

The ordering of the risk factors set forth above is not intended to reflect our indication of priority or likelihood.

Forward-looking statements should not be relied upon as a prediction of actual results. Subject to any continuing obligations under applicable law or any relevant stock exchange rules, we expressly disclaim any obligation to disseminate, after the date of this document, any updates or revisions to any such forward-looking statements to reflect any change in expectations or events, conditions or circumstances on which any such statements are based.

[Table of Contents](#)**New Accounting Pronouncements**

Refer to our consolidated financial statements for further information on *New Accounting Pronouncements*.

Critical Accounting Estimates

For a discussion of our critical accounting estimates, see “Management’s Discussion and Analysis of Financial Condition and Results of Operations” that is included in the Form 10-K.

Seasonality

Our revenues from the sale of passenger tickets are seasonal. Historically, demand for cruises has been greatest during our third quarter, which includes the Northern Hemisphere summer months. This higher demand during the third quarter results in higher ticket prices and occupancy levels and, accordingly, the largest share of our operating income is earned during this period. The seasonality of our results also increases due to ships being taken out-of-service for maintenance, which we schedule during non-peak demand periods. In addition, substantially all of Holland America Princess Alaska Tours’ revenue and net income is generated from May through September in conjunction with the Alaska cruise season.

Statistical Information

| | Three Months Ended August 31, | | Nine Months Ended August 31, | |
|---|----------------------------------|---------|---------------------------------|---------|
| | 2019 | 2018 | 2019 | 2018 |
| Available Lower Berth Days (“ALBDs”) (in thousands) (a) (b) | 22,727 | 21,475 | 65,671 | 62,626 |
| Occupancy percentage (c) | 113.0% | 112.6% | 107.8% | 107.8% |
| Passengers carried (in thousands) | 3,752 | 3,562 | 9,790 | 9,393 |
| Fuel consumption in metric tons (in thousands) | 822 | 818 | 2,487 | 2,458 |
| Fuel consumption in metric tons per thousand ALBDs | 36.2 | 38.1 | 37.9 | 39.3 |
| Fuel cost per metric ton consumed | \$ 487 | \$ 531 | \$ 484 | \$ 474 |
| Currencies (USD to 1) | | | | |
| AUD | \$ 0.69 | \$ 0.74 | \$ 0.70 | \$ 0.76 |
| CAD | \$ 0.76 | \$ 0.76 | \$ 0.75 | \$ 0.78 |
| EUR | \$ 1.12 | \$ 1.16 | \$ 1.13 | \$ 1.20 |
| GBP | \$ 1.24 | \$ 1.31 | \$ 1.28 | \$ 1.36 |
| RMB | \$ 0.14 | \$ 0.15 | \$ 0.15 | \$ 0.15 |

- (a) ALBD is a standard measure of passenger capacity for the period that we use to approximate rate and capacity variances, based on consistently applied formulas that we use to perform analyses to determine the main non-capacity driven factors that cause our cruise revenues and expenses to vary. ALBDs assume that each cabin we offer for sale accommodates two passengers and is computed by multiplying passenger capacity by revenue-producing ship operating days in the period.
- (b) For the three months ended August 31, 2019 compared to the three months ended August 31, 2018, we had a 5.8% capacity increase in ALBDs comprised of a 1.7% capacity increase in our NAA segment and a 13% capacity increase in our EA segment.

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Our NAA segment's capacity increase was caused by the full period impact from one Holland America Line 2,670-passenger capacity ship that entered into service in December 2018.

The increase in our NAA segment's capacity was partially offset by:

- Full period impact from one P&O Cruises (Australia) 1,680-passenger capacity ship removed from service in March 2019
- Full period impact from one P&O Cruises (Australia) 1,260-passenger capacity ship removed from service in April 2019
- Partial period impact from one Holland America Line 835-passenger capacity ship removed from service in July 2019

Our EA segment's capacity increase was caused by:

- Full period impact from one AIDA 5,230-passenger capacity ship that entered into service in December 2018
- Full period impact from one Costa Cruises 4,200-passenger capacity ship that entered into service in March 2019

The increase in our EA segment's capacity was partially offset by the partial period impact from one P&O UK 1,880-passenger capacity ship removed from service in August 2019.

For the nine months ended August 31, 2019 compared to the nine months ended August 31, 2018, we had a 4.9% capacity increase in ALBDs comprised of a 2.4% capacity increase in our NAA segment and a 9.2% capacity increase in our EA segment.

Our NAA segment's capacity increase was caused by:

- Partial period impact from one Carnival Cruise Line 3,960-passenger capacity ship that entered into service in April 2018
- Partial period impact from one Seabourn 600-passenger capacity ship that entered into service in May 2018
- Partial period impact from one Holland America Line 2,670-passenger capacity ship that entered into service in December 2018

The increase in our NAA segment's capacity was partially offset by:

- Partial period impact from one P&O Cruises (Australia) 1,680-passenger capacity ship removed from service in March 2019
- Partial period impact from one P&O Cruises (Australia) 1,260-passenger capacity ship removed from service in April 2019
- Partial period impact from one Holland America Line 835-passenger capacity ship removed from service in July 2019

Our EA segment's capacity increase was caused by:

- Partial period impact from one AIDA 5,230-passenger capacity ship that entered into service in December 2018
- Partial period impact from one Costa Cruises 4,200-passenger capacity ship that entered into service in March 2019

The increase in our EA segment's capacity was partially offset by:

- Partial period impact from one P&O Cruises (UK) 700-passenger capacity ship removed from service in March 2018
- Partial period impact from one Costa Cruises 1,300-passenger capacity ship removed from service in April 2018
- Partial period impact from one P&O UK 1,880-passenger capacity ship removed from service in August 2019

- (c) In accordance with cruise industry practice, occupancy is calculated using a denominator of ALBDs, which assumes two passengers per cabin even though some cabins can accommodate three or more passengers. Percentages in excess of 100% indicate that on average more than two passengers occupied some cabins.

Three Months Ended August 31, 2019 ("2019") Compared to Three Months Ended August 31, 2018 ("2018")

Revenues

Consolidated

Cruise passenger ticket revenues made up 69% of our 2019 total revenues. Cruise passenger ticket revenues increased by \$124 million, or 2.9%, to \$4.5 billion in 2019 from \$4.4 billion in 2018.

This increase was caused by:

- \$254 million - 5.8% capacity increase in ALBDs

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- \$27 million - increase in air transportation revenues
- \$13 million - increase in occupancy

These increases were partially offset by:

- \$103 million - decrease in cruise ticket revenues, primarily driven by sourcing in Continental Europe and net unfavorable foreign currency transactional impact, partially offset by price improvements in the Caribbean program
- \$72 million - net unfavorable foreign currency translational impact

Onboard and other cruise revenues made up 28% of our 2019 total revenues. Onboard and other cruise revenues increased by \$539 million, or 41%, to \$1.9 billion in 2019 from \$1.3 billion in 2018.

This increase was caused by:

- \$449 million - related to the gross presentation of shore excursions and other onboard revenues as a result of the adoption of new revenue accounting guidance
- \$77 million - 5.8% capacity increase in ALBDs
- \$23 million - higher onboard spending by our guests

These increases were partially offset by net unfavorable foreign currency translational impact of \$20 million.

Tour and other revenues made up 3.1% of our 2019 total revenues. Tour and other revenues increased by \$33 million, or 20%, to \$200 million in 2019 from \$167 million in 2018.

Concession revenues, which are included in onboard and other revenues, increased by \$11 million, or 3.1%, to \$361 million in 2019 from \$350 million in 2018.

NAA Segment

Cruise passenger ticket revenues made up 68% of our NAA segment's 2019 total revenues. Cruise passenger ticket revenues increased by \$60 million, or 2.1%, to \$2.9 billion in 2019 from \$2.8 billion in 2018.

This increase was caused by:

- \$48 million - 1.7% capacity increase in ALBDs
- \$24 million - increase in air transportation revenues

The remaining 32% of our NAA segment's 2019 total revenues were comprised of onboard and other cruise revenues, which increased by \$391 million, or 40%, to \$1.4 billion in 2019 from \$1.0 billion in 2018.

This increase was caused by:

- \$357 million - related to the gross presentation of shore excursions and other onboard revenues as a result of the adoption of new revenue accounting guidance
- \$16 million - 1.7% capacity increase in ALBDs
- \$13 million - increase in other revenues
- \$10 million - higher onboard spending by our guests

Concession revenues, which are included in onboard and other revenues, increased by \$2 million, or 0.9%, to \$253 million in 2019 from \$251 million in 2018.

EA Segment

Cruise passenger ticket revenues made up 79% of our EA segment's 2019 total revenues. Cruise passenger ticket revenues increased by \$81 million, or 5.3%, to \$1.6 billion in 2019 compared to \$1.5 billion in 2018.

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This increase was caused by:

- \$200 million - 13% capacity increase in ALBDs
- \$23 million - increase in occupancy

These increases were partially offset by:

- \$76 million - decrease in cruise ticket revenues, primarily driven by sourcing in Continental Europe
- \$68 million - net unfavorable foreign currency translational impact

The remaining 21% of our EA segment's 2019 total revenues were comprised of onboard and other cruise revenues, which increased by \$121 million, or 40%, to \$426 million in 2019 from \$305 million in 2018.

This increase was caused by:

- \$85 million - related to the gross presentation of shore excursions and other onboard revenues as a result of the adoption of new revenue accounting guidance
- \$40 million - 13% capacity increase in ALBDs
- \$10 million - higher onboard spending by our guests

These increases were partially offset by net unfavorable foreign currency translational impact of \$18 million.

Concession revenues, which are included in onboard and other revenues, increased by \$8 million, or 8.4%, to \$108 million in 2019 from \$100 million in 2018.

Costs and Expenses

Consolidated

Operating costs and expenses increased by \$574 million, or 19%, to \$3.5 billion in 2019 from \$3.0 billion in 2018.

This increase was caused by:

- \$449 million - related to the gross presentation of shore excursions and other onboard revenues as a result of the adoption of new revenue accounting guidance
- \$167 million - 5.8% capacity increase in ALBDs
- \$21 million - gains on ship sales in 2018, net of gains on ship sales in 2019
- \$18 million - increase in tour and other costs
- \$17 million - increase in various other ship operating costs

These increases were partially offset by:

- \$43 million - net favorable foreign currency translational impact
- \$36 million - lower fuel prices
- \$23 million - lower fuel consumption per ALBD
- \$10 million - lower cruise payroll and related expenses

Selling and administrative expenses decreased by \$10 million, or 1.8%, to \$563 million in 2019 from \$573 million in 2018.

Depreciation and amortization expenses increased by \$37 million, or 7.3%, to \$548 million in 2019 from \$511 million in 2018.

NAA Segment

Operating costs and expenses increased by \$346 million, or 17%, to \$2.3 billion in 2019 from \$2.0 billion in 2018.

This increase was caused by:

- \$357 million - related to the gross presentation of shore excursions and other onboard revenues as a result of the adoption of new revenue accounting guidance
- \$33 million - 1.7% capacity increase in ALBDs
- \$19 million - higher commissions, transportation and other expenses

These increases were partially offset by:

- \$29 million - lower fuel prices
- \$27 million - lower cruise payroll and related expenses

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Selling and administrative expenses increased by \$5 million, or 1.6%, to \$339 million in 2019 from \$333 million in 2018.

Depreciation and amortization expenses increased by \$21 million, or 6.6%, to \$345 million in 2019 from \$323 million in 2018.

EA Segment

Operating costs and expenses increased by \$167 million, or 19%, to \$1.1 billion in 2019 from \$0.9 billion in 2018.

This increase was caused by:

- \$117 million - 13% capacity increase in ALBDs
- \$85 million - related to the gross presentation of shore excursions and other onboard revenues as a result of the adoption of new revenue accounting guidance
- \$16 million - various other ship operating costs

These increases were partially offset by:

- \$39 million - net favorable foreign currency translational impact
- \$14 million - lower fuel consumption per ALBD

Selling and administrative expenses decreased by \$21 million, or 12%, to \$150 million in 2019 from \$172 million in 2018. This decrease was driven by the timing of advertising expenses between quarters.

Depreciation and amortization expenses increased by \$15 million, or 10%, to \$165 million in 2019 from \$150 million in 2018. This increase was caused by a 13% capacity increase in ALBDs, which accounted for \$20 million.

Operating Income

Our consolidated operating income increased by \$96 million, or 5.3%, to \$1.9 billion in 2019 from \$1.8 billion in 2018. Our NAA segment's operating income increased by \$78 million, or 6.7%, to \$1.2 billion in 2019 compared to \$1.2 billion in 2018, and our EA segment's operating income increased by \$42 million, or 6.7%, to \$662 million in 2019 from \$621 million in 2018. These changes were primarily due to the reasons discussed above.

Nonoperating Income (Expense)

| <i>(in millions)</i> | Three Months Ended August 31, 2018 | |
|---|---|-----|
| Unrealized gains on fuel derivatives, net | \$ | 8 |
| Realized losses on fuel derivatives, net | | (4) |
| Gains on fuel derivatives, net | \$ | 4 |

There were no unrealized or realized gains or losses on fuel derivatives for the three months ended August 31, 2019.

Explanations of Non-GAAP Financial Measures

Non-GAAP Financial Measures

We use net cruise revenues per ALBD ("net revenue yields"), net cruise costs excluding fuel per ALBD, adjusted net income and adjusted earnings per share as non-GAAP financial measures of our cruise segments' and the company's financial performance. These non-GAAP financial measures are provided along with U.S. GAAP gross cruise revenues per ALBD ("gross revenue yields"), gross cruise costs per ALBD and U.S. GAAP net income and U.S. GAAP earnings per share.

Net revenue yields and net cruise costs excluding fuel per ALBD enable us to separate the impact of predictable capacity or ALBD changes from price and other changes that affect our business. We believe these non-GAAP measures provide useful information to investors and expanded insight to measure our revenue and cost performance as a supplement to our U.S. GAAP consolidated financial statements.

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Under U.S. GAAP, the realized and unrealized gains and losses on fuel derivatives not qualifying as fuel hedges are recognized currently in earnings. We believe that unrealized gains and losses on fuel derivatives are not an indication of our earnings performance since they relate to future periods and may not ultimately be realized in our future earnings. Therefore, we believe it is more meaningful for the unrealized gains and losses on fuel derivatives to be excluded from our net income and earnings per share and, accordingly, we present adjusted net income and adjusted earnings per share excluding these unrealized gains and losses.

We believe that gains and losses on ship sales, impairment charges, restructuring and other expenses are not part of our core operating business and are not an indication of our future earnings performance. Therefore, we believe it is more meaningful for gains and losses on ship sales, impairment charges, and restructuring and other non-core gains and charges to be excluded from our net income and earnings per share and, accordingly, we present adjusted net income and adjusted earnings per share excluding these items.

The presentation of our non-GAAP financial information is not intended to be considered in isolation from, as substitute for, or superior to the financial information prepared in accordance with U.S. GAAP. It is possible that our non-GAAP financial measures may not be exactly comparable to the like-kind information presented by other companies, which is a potential risk associated with using these measures to compare us to other companies.

Net revenue yields are commonly used in the cruise industry to measure a company's cruise segment revenue performance and for revenue management purposes. We use "net cruise revenues" rather than "gross cruise revenues" to calculate net revenue yields. We believe that net cruise revenues is a more meaningful measure in determining revenue yield than gross cruise revenues because it reflects the cruise revenues earned net of our most significant variable costs, which are travel agent commissions, cost of air and other transportation, certain other costs that are directly associated with onboard and other revenues and credit and debit card fees.

Net passenger ticket revenues reflect gross passenger ticket revenues, net of commissions, transportation and other costs.

Net onboard and other revenues reflect gross onboard and other revenues, net of onboard and other cruise costs.

Net cruise costs excluding fuel per ALBD is the measure we use to monitor our ability to control our cruise segments' costs rather than gross cruise costs per ALBD. We exclude the same variable costs that are included in the calculation of net cruise revenues as well as fuel expense to calculate net cruise costs without fuel to avoid duplicating these variable costs in our non-GAAP financial measures. Substantially all of our net cruise costs excluding fuel are largely fixed, except for the impact of changing prices, once the number of ALBDs has been determined.

Reconciliation of Forecasted Data

We have not provided a reconciliation of forecasted gross cruise revenues to forecasted net cruise revenues or forecasted gross cruise costs to forecasted net cruise costs without fuel or forecasted U.S. GAAP net income to forecasted adjusted net income or forecasted U.S. GAAP earnings per share to forecasted adjusted earnings per share because preparation of meaningful U.S. GAAP forecasts of gross cruise revenues, gross cruise costs, net income and earnings per share would require unreasonable effort. We are unable to predict, without unreasonable effort, the future movement of foreign exchange rates and fuel prices. We are unable to determine the future impact of gains or losses on ships sales, restructuring expenses and other non-core gains and charges.

Constant Dollar and Constant Currency

Our operations primarily utilize the U.S. dollar, Australian dollar, euro and sterling as functional currencies to measure results and financial condition. Functional currencies other than the U.S. dollar subject us to foreign currency translational risk. Our operations also have revenues and expenses that are in currencies other than their functional currency, which subject us to foreign currency transactional risk.

We report net revenue yields, net passenger revenue yields, net onboard and other revenue yields and net cruise costs excluding fuel per ALBD on a "constant dollar" and "constant currency" basis assuming the 2019 periods' currency exchange rates have remained constant with the 2018 periods' rates. These metrics facilitate a comparative view for the changes in our business in an environment with fluctuating exchange rates.

Constant dollar reporting removes only the impact of changes in exchange rates on the translation of our operations.

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Constant currency reporting removes the impact of changes in exchange rates on the translation of our operations (as in constant dollar) plus the transactional impact of changes in exchange rates from revenues and expenses that are denominated in a currency other than the functional currency.

Examples:

- The translation of our operations with functional currencies other than U.S. dollar to our U.S. dollar reporting currency results in decreases in reported U.S. dollar revenues and expenses if the U.S. dollar strengthens against these foreign currencies and increases in reported U.S. dollar revenues and expenses if the U.S. dollar weakens against these foreign currencies.
- Our operations have revenue and expense transactions in currencies other than their functional currency. If their functional currency strengthens against these other currencies, it reduces the functional currency revenues and expenses. If the functional currency weakens against these other currencies, it increases the functional currency revenues and expenses.

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Consolidated gross and net revenue yields were computed by dividing the gross and net cruise revenues by ALBDs as follows:

| | Three Months Ended August 31, | | |
|---|--------------------------------------|-------------------------------------|-------------------|
| | 2019 | 2019 Constant Dollar | 2018 |
| <i>(dollars in millions, except yields)</i> | | | |
| Passenger ticket revenues | \$ 4,477 | \$ 4,549 | \$ 4,353 |
| Onboard and other revenues | 1,855 | 1,875 | 1,316 |
| Gross cruise revenues | 6,333 | 6,424 | 5,669 |
| Less cruise costs | | | |
| Commissions, transportation and other | (803) | (814) | (760) |
| Onboard and other | (668) | (674) | (207) |
| | (1,471) | (1,488) | (967) |
| Net passenger ticket revenues | 3,674 | 3,734 | 3,593 |
| Net onboard and other revenues | 1,187 | 1,201 | 1,109 |
| Net cruise revenues | \$ 4,862 | \$ 4,936 | \$ 4,702 |
| ALBDs | 22,727,296 | 22,727,296 | 21,475,014 |
| Gross revenue yields | \$ 278.64 | \$ 282.66 | \$ 263.98 |
| % increase (decrease) | 5.6 % | 7.1 % | |
| Net revenue yields | \$ 213.91 | \$ 217.17 | \$ 218.96 |
| % increase (decrease) | (2.3)% | (0.8)% | |
| Net passenger ticket revenue yields | \$ 161.66 | \$ 164.32 | \$ 167.31 |
| % increase (decrease) | (3.4)% | (1.8)% | |
| Net onboard and other revenue yields | \$ 52.25 | \$ 52.85 | \$ 51.65 |
| % increase (decrease) | 1.2 % | 2.3 % | |

| | Three Months Ended August 31, | | |
|---|--------------------------------------|---------------------------------------|-------------------|
| | 2019 | 2019 Constant Currency | 2018 |
| <i>(dollars in millions, except yields)</i> | | | |
| Net passenger ticket revenues | \$ 3,674 | \$ 3,754 | \$ 3,593 |
| Net onboard and other revenues | 1,187 | 1,199 | 1,109 |
| Net cruise revenues | \$ 4,862 | \$ 4,953 | \$ 4,702 |
| ALBDs | 22,727,296 | 22,727,296 | 21,475,014 |
| Net revenue yields | \$ 213.91 | \$ 217.95 | \$ 218.96 |
| % increase (decrease) | (2.3)% | (0.5)% | |
| Net passenger ticket revenue yields | \$ 161.66 | \$ 165.18 | \$ 167.31 |
| % increase (decrease) | (3.4)% | (1.3)% | |
| Net onboard and other revenue yields | \$ 52.25 | \$ 52.77 | \$ 51.65 |
| % increase (decrease) | 1.2 % | 2.2 % | |

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Consolidated gross and net cruise costs and net cruise costs excluding fuel per ALBD were computed by dividing the gross and net cruise costs and net cruise costs excluding fuel by ALBDs as follows:

| | Three Months Ended August 31, | | |
|---|-------------------------------|----------------------------|-------------------|
| | 2019 | 2019 Constant Dollar | 2018 |
| <i>(dollars in millions, except costs per ALBD)</i> | | | |
| Cruise operating expenses | \$ 3,423 | \$ 3,466 | \$ 2,867 |
| Cruise selling and administrative expenses | 554 | 562 | 569 |
| Gross cruise costs | 3,978 | 4,028 | 3,436 |
| Less cruise costs included above | | | |
| Commissions, transportation and other | (803) | (814) | (760) |
| Onboard and other | (668) | (674) | (207) |
| Gains (losses) on ship sales and impairments | (3) | (3) | 27 |
| Restructuring expenses | — | — | — |
| Other | (23) | (23) | — |
| Net cruise costs | 2,480 | 2,513 | 2,496 |
| Less fuel | (401) | (401) | (434) |
| Net cruise costs excluding fuel | \$ 2,079 | \$ 2,112 | \$ 2,062 |
| ALBDs | 22,727,296 | 22,727,296 | 21,475,014 |
| Gross cruise costs per ALBD | \$ 175.01 | \$ 177.23 | \$ 160.02 |
| % increase (decrease) | 9.4 % | 10.8 % | |
| Net cruise costs excluding fuel per ALBD | \$ 91.49 | \$ 92.94 | \$ 96.03 |
| % increase (decrease) | (4.7)% | (3.2)% | |

| | Three Months Ended August 31, | | |
|---|-------------------------------|------------------------------|-------------------|
| | 2019 | 2019 Constant Currency | 2018 |
| <i>(dollars in millions, except costs per ALBD)</i> | | | |
| Net cruise costs excluding fuel | \$ 2,079 | \$ 2,113 | \$ 2,062 |
| ALBDs | 22,727,296 | 22,727,296 | 21,475,014 |
| Net cruise costs excluding fuel per ALBD | \$ 91.49 | \$ 92.98 | \$ 96.03 |
| % increase (decrease) | (4.7)% | (3.2)% | |

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Adjusted fully diluted earnings per share was computed as follows:

| | Three Months Ended August 31, | |
|--|----------------------------------|-----------------|
| | 2019 | 2018 |
| <i>(in millions, except per share data)</i> | | |
| Net income | | |
| U.S. GAAP net income | \$ 1,780 | \$ 1,707 |
| Unrealized (gains) losses on fuel derivatives, net | — | (8) |
| (Gains) losses on ship sales and impairments | 14 | (27) |
| Restructuring expenses | — | — |
| Other | 25 | — |
| Adjusted net income | \$ 1,819 | \$ 1,673 |
| Weighted-average shares outstanding | 691 | 707 |
| Earnings per share | | |
| U.S. GAAP earnings per share | \$ 2.58 | \$ 2.41 |
| Unrealized (gains) losses on fuel derivatives, net | — | (0.01) |
| (Gains) losses on ship sales and impairments | 0.02 | (0.04) |
| Restructuring expenses | — | — |
| Other | 0.04 | — |
| Adjusted earnings per share | \$ 2.63 | \$ 2.36 |

Net cruise revenues increased by \$159 million, or 3.4%, to \$4.9 billion in 2019 from \$4.7 billion in 2018.

The increase was caused by a 5.8% capacity increase in ALBDs of \$274 million.

This increase was partially offset by:

- \$92 million - net unfavorable foreign currency impacts (including both the foreign currency translational and transactional impacts)
- \$23 million - 0.5% decrease in constant currency net revenue yields

The 0.5% decrease in net revenue yields on a constant currency basis was due to a 1.3% decrease in net passenger ticket revenue yields partially offset by a 2.2% increase in net onboard and other revenue yields.

This 1.3% decrease in net passenger ticket revenue yields was comprised of a 0.8% increase from our NAA segment, driven by price improvements in the Caribbean program, offset by a 3.5% decrease from our EA segment primarily driven by sourcing in Continental Europe.

The 2.2% increase in net onboard and other revenue yields was comprised of a 2.0% increase from our NAA segment and a 3.0% increase from our EA segment.

Net cruise costs excluding fuel increased by \$17 million, or 0.8%, to \$2.1 billion in 2019 compared to \$2.1 billion in 2018.

The increase was caused by a 5.8% capacity increase in ALBDs of \$120 million.

This increase was partially offset by:

- \$69 million - 3.2% decrease in constant currency net cruise costs excluding fuel
- \$34 million - net favorable foreign currency impacts (including both the foreign currency translational and transactional impacts)

Fuel costs decreased by \$34 million, or 7.7%, to \$401 million in 2019 from \$434 million in 2018.

This decrease was caused by:

- \$36 million - lower fuel prices
- \$23 million - lower fuel consumption per ALBD

These decreases were partially offset by a 5.8% capacity increase in ALBDs of \$25 million.

Nine Months Ended August 31, 2019 (“2019”) Compared to Nine Months Ended August 31, 2018 (“2018”)

Revenues

Consolidated

Cruise passenger ticket revenues made up 68% of our 2019 total revenues. Cruise passenger ticket revenues increased by \$239 million, or 2.2%, to \$10.9 billion in 2019 from \$10.7 billion in 2018.

This increase was caused by:

- \$530 million - 4.9% capacity increase in ALBDs
- \$92 million - increase in air transportation revenues

These increases were partially offset by:

- \$256 million - net unfavorable foreign currency translational impact
- \$127 million - decrease in cruise ticket revenues, primarily driven by sourcing in Continental Europe and net unfavorable foreign currency transactional impact, partially offset by price improvements in the Caribbean program

Onboard and other cruise revenues made up 30% of 2019 total revenues. Onboard and other cruise revenues increased by \$1.3 billion, or 37%, to \$4.8 billion in 2019 from \$3.5 billion in 2018.

This increase was caused by:

- \$1.1 billion - related to the gross presentation of shore excursions and other onboard revenues as a result of the adoption of new revenue accounting guidance
- \$172 million - 4.9% capacity increase in ALBDs
- \$82 million - higher onboard spending by our guests

These increases were partially offset by net unfavorable foreign currency translation impact of \$74 million.

Tour and other revenues made up 1.9% of our 2019 total revenues. Tour and other revenues increased by \$77 million, or 35%, to \$299 million in 2019 from \$222 million in 2018.

Concession revenues, which are included in onboard and other revenues, increased by \$20 million, or 2.3%, to \$888 million in 2019 from \$868 million in 2018.

NAA Segment

Cruise passenger ticket revenues made up 66% of our NAA segment’s 2019 total revenues. Cruise passenger ticket revenues increased by \$203 million, or 3.0%, to \$7.0 billion in 2019 from \$6.8 billion in 2018.

This increase was caused by:

- \$155 million - 2.4% capacity increase in ALBDs
- \$50 million - increase in air transportation revenues
- \$20 million - increase in cruise ticket revenues, driven primarily by price improvements in the Caribbean program, partially offset by net unfavorable foreign currency transactional impact

The remaining 34% of our NAA segment’s 2019 total revenues were comprised of onboard and other cruise revenues, which increased by \$967 million, or 38%, to \$3.5 billion in 2019 from \$2.6 billion in 2018.

This increase was driven by:

- \$882 million - related to the gross presentation of shore excursions and other onboard revenues as a result of the adoption of new revenue accounting guidance
- \$59 million - 2.4% capacity increase in ALBDs

Concession revenues, which are included in onboard and other revenues, increased by \$13 million, or 2.1%, to \$628 million in 2019 from \$615 million in 2018.

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EA Segment

Cruise passenger ticket revenues made up 79% of our EA segment's 2019 total revenues. Cruise passenger ticket revenues increased by \$69 million, or 1.7%, to \$4.0 billion in 2019 compared to \$4.0 billion in 2018.

This increase was caused by:

- \$371 million - 9.2% capacity increase in ALBDs
- \$39 million - increase in air transportation revenues

These increases were partially offset by:

- \$240 million - net unfavorable foreign currency translational impact
- \$107 million - decrease in cruise ticket revenues, primarily driven by sourcing in Continental Europe

The remaining 21% of our EA segment's 2019 total revenues were comprised of onboard and other cruise revenues, which increased by \$269 million, or 32%, to \$1.1 billion in 2019 from \$0.8 billion in 2018.

This increase was caused by:

- \$212 million - related to the gross presentation of shore excursions and other onboard revenues as a result of the adoption of new revenue accounting guidance
- \$77 million - 9.2% capacity increase in ALBDs
- \$44 million - higher onboard spending by our guests

These increases were partially offset by net unfavorable foreign currency translational impact of \$66 million.

Concession revenues, which are included in onboard and other revenues, increased by \$7 million, or 2.8%, to \$259 million in 2019 from \$252 million in 2018.

Costs and Expenses

Consolidated

Operating costs and expenses increased by \$1.5 billion, or 18%, to \$9.8 billion in 2019 from \$8.3 billion in 2018.

This increase was caused by:

- \$1.1 billion - related to the gross presentation of shore excursions and other onboard revenues as a result of the adoption of new revenue accounting guidance
- \$400 million - 4.9% capacity increase in ALBDs
- \$84 million - higher commissions, transportation and other expense
- \$58 million - increase in tour and other costs
- \$55 million - increase in various other ship operating costs
- \$35 million - gains on ship sales in 2018, net of gains on ship sales in 2019
- \$26 million - higher fuel prices

These increases were partially offset by:

- \$186 million - net favorable foreign currency translational impact
- \$68 million - lower dry-dock expenses and repair and maintenance expenses
- \$44 million - lower fuel consumption per ALBD

Selling and administrative expenses increased by \$19 million, or 1.0%, to \$1.8 billion in 2019 compared to \$1.8 billion in 2018.

Depreciation and amortization expenses increased by \$96 million, or 6.4%, to \$1.6 billion in 2019 from \$1.5 billion in 2018.

NAA Segment

Operating costs and expenses increased by \$984 million, or 18%, to \$6.4 billion in 2019 from \$5.4 billion in 2018.

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This increase was caused by:

- \$882 million - related to the gross presentation of shore excursions and other onboard revenues as a result of the adoption of new revenue accounting guidance
- \$126 million - 2.4% capacity increase in ALBDs
- \$61 million - higher commissions, transportation and other expenses

These increases were partially offset by:

- \$42 million - lower dry-dock expenses and repair and maintenance expenses
- \$37 million - lower cruise payroll and related expenses

Selling and administrative expenses decreased by \$4 million, or 0.4%, to \$1.0 billion in 2019 compared to \$1.0 billion in 2018.

Depreciation and amortization expenses increased by \$72 million, or 7.6%, to \$1.0 billion in 2019 from \$0.9 billion in 2018.

EA Segment

Operating costs and expenses increased by \$383 million, or 14%, to \$3.2 billion in 2019 from \$2.8 billion in 2018.

This increase was caused by:

- \$246 million - 9.2% capacity increase in ALBDs
- \$212 million - related to the gross presentation of shore excursions and other onboard revenues as a result of the adoption of new revenue accounting guidance
- \$46 million - gains on ship sales in 2018, net of costs on ship sales in 2019
- \$31 million - higher commissions, transportation and other expenses
- \$32 million - various other ship operating costs

These increases were partially offset by:

- \$171 million - net favorable foreign currency translational impact
- \$29 million - lower fuel consumption per ALBD
- \$25 million - lower dry-dock expenses and repair and maintenance expenses

Selling and administrative expenses decreased by \$10 million, or 1.9% to \$540 million in 2019 from \$551 million in 2018.

Depreciation and amortization expenses increased by \$17 million, or 3.7%, to \$483 million in 2019 from \$466 million in 2018.

Operating Income

Our consolidated operating income increased by \$19 million, or 0.7%, to \$2.8 billion in 2019 compared to \$2.8 billion in 2018. Our NAA segment's operating income increased by \$119 million, or 6.1%, to \$2.1 billion in 2019 from \$2.0 billion in 2018, and our EA segment's operating income decreased by \$50 million, or 5.1%, to \$933 million in 2019 from \$984 million in 2018. These changes were primarily due to the reasons discussed above.

Nonoperating Income (Expense)

| | Nine Months Ended August 31, | |
|---|---|------|
| <i>(in millions)</i> | 2018 | |
| Unrealized gains on fuel derivatives, net | \$ | 90 |
| Realized losses on fuel derivatives, net | | (29) |
| Gains on fuel derivatives, net | \$ | 61 |

There were no unrealized or realized gains or losses on fuel derivatives for the nine months ended August 31, 2019.

Key Performance Non-GAAP Financial Indicators

Consolidated gross and net revenue yields were computed by dividing the gross and net cruise revenues by ALBDs as follows:

| | Nine Months Ended August 31, | | |
|---|------------------------------|----------------------------|-------------------|
| | 2019 | 2019 Constant Dollar | 2018 |
| <i>(dollars in millions, except yields)</i> | | | |
| Passenger ticket revenues | \$ 10,934 | \$ 11,190 | \$ 10,694 |
| Onboard and other revenues | 4,811 | 4,885 | 3,509 |
| Gross cruise revenues | 15,744 | 16,075 | 14,203 |
| Less cruise costs | | | |
| Commissions, transportation and other | (2,125) | (2,182) | (2,000) |
| Onboard and other | (1,620) | (1,642) | (485) |
| | (3,746) | (3,825) | (2,485) |
| Net passenger ticket revenues | 8,808 | 9,008 | 8,694 |
| Net onboard and other revenues | 3,190 | 3,243 | 3,024 |
| Net cruise revenues | \$ 11,999 | \$ 12,250 | \$ 11,718 |
| ALBDs | 65,671,215 | 65,671,215 | 62,626,499 |
| Gross revenue yields | \$ 239.74 | \$ 244.78 | \$ 226.78 |
| % increase (decrease) | 5.7 % | 7.9 % | |
| Net revenue yields | \$ 182.71 | \$ 186.54 | \$ 187.10 |
| % increase (decrease) | (2.3)% | (0.3)% | |
| Net passenger ticket revenue yields | \$ 134.13 | \$ 137.16 | \$ 138.82 |
| % increase (decrease) | (3.4)% | (1.2)% | |
| Net onboard and other revenue yields | \$ 48.58 | \$ 49.38 | \$ 48.28 |
| % increase (decrease) | 0.6 % | 2.3 % | |

| | Nine Months Ended August 31, | | |
|---|------------------------------|------------------------------|-------------------|
| | 2019 | 2019 Constant Currency | 2018 |
| <i>(dollars in millions, except yields)</i> | | | |
| Net passenger ticket revenues | \$ 8,808 | \$ 9,071 | \$ 8,694 |
| Net onboard and other revenues | 3,190 | 3,244 | 3,024 |
| Net cruise revenues | \$ 11,999 | \$ 12,315 | \$ 11,718 |
| ALBDs | 65,671,215 | 65,671,215 | 62,626,499 |
| Net revenue yields | \$ 182.71 | \$ 187.52 | \$ 187.10 |
| % increase (decrease) | (2.3)% | 0.2 % | |
| Net passenger ticket revenue yields | \$ 134.13 | \$ 138.13 | \$ 138.82 |
| % increase (decrease) | (3.4)% | (0.5)% | |
| Net onboard and other revenue yields | \$ 48.58 | \$ 49.39 | \$ 48.28 |
| % increase (decrease) | 0.6 % | 2.3 % | |

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Consolidated gross and net cruise costs and net cruise costs excluding fuel per ALBD were computed by dividing the gross and net cruise costs and net cruise costs excluding fuel by ALBDs as follows:

| | Nine Months Ended August 31, | | |
|---|------------------------------|----------------------------|-------------------|
| | 2019 | 2019 Constant Dollar | 2018 |
| <i>(dollars in millions, except costs per ALBD)</i> | | | |
| Cruise operating expenses | \$ 9,634 | \$ 9,820 | \$ 8,208 |
| Cruise selling and administrative expenses | 1,792 | 1,828 | 1,772 |
| Gross cruise costs | 11,426 | 11,649 | 9,980 |
| Less cruise costs included above | | | |
| Commissions, transportation and other | (2,125) | (2,182) | (2,000) |
| Onboard and other | (1,620) | (1,642) | (485) |
| Gains (losses) on ship sales and impairments | 11 | 12 | 39 |
| Restructuring expenses | — | — | — |
| Other | (43) | (43) | (1) |
| Net cruise costs | 7,648 | 7,793 | 7,532 |
| Less fuel | (1,204) | (1,204) | (1,166) |
| Net cruise costs excluding fuel | \$ 6,444 | \$ 6,588 | \$ 6,367 |
| ALBDs | 65,671,215 | 65,671,215 | 62,626,499 |
| Gross cruise costs per ALBD | \$ 173.98 | \$ 177.38 | \$ 159.36 |
| % increase (decrease) | 9.2 % | 11.3 % | |
| Net cruise costs excluding fuel per ALBD | \$ 98.12 | \$ 100.32 | \$ 101.66 |
| % increase (decrease) | (3.5)% | (1.3)% | |

| | Nine Months Ended August 31, | | |
|---|------------------------------|------------------------------|-------------------|
| | 2019 | 2019 Constant Currency | 2018 |
| <i>(dollars in millions, except costs per ALBD)</i> | | | |
| Net cruise costs excluding fuel | \$ 6,444 | \$ 6,596 | \$ 6,367 |
| ALBDs | 65,671,215 | 65,671,215 | 62,626,499 |
| Net cruise costs excluding fuel per ALBD | \$ 98.12 | \$ 100.44 | \$ 101.66 |
| % increase (decrease) | (3.5)% | (1.2)% | |

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Adjusted fully diluted earnings per share was computed as follows:

| | Nine Months Ended | |
|--|-------------------|-----------------|
| | August 31, | |
| <i>(in millions, except per share data)</i> | 2019 | 2018 |
| Net income | | |
| U.S. GAAP net income | \$ 2,567 | \$ 2,659 |
| Unrealized (gains) losses on fuel derivatives, net | — | (90) |
| (Gains) losses on ship sales and impairments | — | (39) |
| Restructuring expenses | — | — |
| Other | 47 | 7 |
| Adjusted net income | \$ 2,614 | \$ 2,537 |
| Weighted-average shares outstanding | 693 | 714 |
| Earnings per share | | |
| U.S. GAAP earnings per share | \$ 3.71 | \$ 3.72 |
| Unrealized (gains) losses on fuel derivatives, net | — | (0.13) |
| (Gains) losses on ship sales and impairments | — | (0.05) |
| Restructuring expenses | — | — |
| Other | 0.07 | 0.01 |
| Adjusted earnings per share | \$ 3.77 | \$ 3.55 |

Net cruise revenues increased by \$281 million, or 2.4%, to \$12.0 billion in 2019 from \$11.7 billion in 2018.

The increase was caused by a 4.9% capacity increase in ALBDs of \$580 million.

This increase was partially offset by net unfavorable foreign currency impacts (including both the foreign currency translational and transactional impacts) of \$316 million.

The 0.2% increase in net revenue yields on a constant currency basis was due to a 2.3% increase in net onboard and other revenue yields partially offset by a 0.5% decrease in net passenger ticket revenue yields.

The 0.5% decrease in net passenger ticket revenue yields was primarily driven by sourcing in Continental Europe and net unfavorable foreign currency impact (including both the foreign currency translational and transactional impacts) partially offset by price improvements in the Caribbean program. This 0.5% decrease in net passenger ticket revenue yields was comprised of a 1.1% increase from our NAA segment and a 2.3% decrease from our EA segment.

The 2.3% increase in net onboard and other revenue yields was comprised of a 1.7% increase from our NAA segment and a 3.2% increase from our EA segment.

Net cruise costs excluding fuel increased by \$77 million, or 1.2%, to \$6.4 billion in 2019 from \$6.4 billion in 2018. This increase was caused by a 4.9% capacity increase in ALBDs, which accounted for \$308 million.

This increase was partially offset by net favorable foreign currency impacts (including both the foreign currency translational and transactional impacts) of \$152 million.

Fuel costs increased by \$39 million, or 3.3%, to \$1.2 billion in 2019 compared to \$1.2 billion in 2018.

This increase was caused by:

- \$57 million - 4.9% capacity increase in ALBDs
- \$26 million - higher fuel prices

These increases were partially offset by lower fuel consumption by ALBD by \$44 million.

Liquidity, Financial Condition and Capital Resources

Our primary financial goals are to profitably grow our cruise business and grow ROIC over time, while maintaining a strong balance sheet and strong investment grade credit ratings. (We define ROIC as the twelve-month adjusted earnings before interest divided by the monthly average of debt plus equity minus construction-in-progress.) Our ability to generate significant operating cash flow allows us to internally fund our capital improvements, debt maturities and dividend payments. We have \$10.7 billion of committed export credit facilities available to fund the vast majority of our new ship growth capital. Other objectives of our capital structure policy are to maintain a sufficient level of liquidity through our available cash and cash equivalents and committed financings for immediate and future liquidity needs and to maintain a reasonable debt maturity profile.

Based on our historical results, projections and financial condition, we believe that our future operating cash flows and liquidity will be sufficient to fund all of our expected capital improvements, new ship growth capital, debt maturities and dividend payments. We believe that our ability to generate significant operating cash flows and our strong balance sheet, as evidenced by our strong investment grade credit ratings, provide us with the ability, in most financial credit market environments, to obtain debt financing.

We had a working capital deficit of \$6.2 billion as of August 31, 2019 compared to a working capital deficit of \$7.0 billion as of November 30, 2018. The decrease in working capital deficit was caused by an increase in cash and cash equivalents and a decrease in short-term debt partially offset by an increase in customer deposits. We operate with a substantial working capital deficit. This deficit is mainly attributable to the fact that, under our business model, substantially all of our passenger ticket receipts are collected in advance of the applicable sailing date. These advance passenger receipts remain a current liability until the sailing date. The cash generated from these advance receipts is used interchangeably with cash on hand from other sources, such as our borrowings and other cash from operations. The cash received as advanced receipts can be used to fund operating expenses, pay down our debt, make long-term investments or any other use of cash. Included within our working capital deficit are \$4.7 billion and \$4.4 billion of customer deposits as of August 31, 2019 and November 30, 2018, respectively. In addition, we have a relatively low-level of accounts receivable and limited investment in inventories. We generate substantial cash flows from operations and our business model has historically allowed us to maintain this working capital deficit and still meet our operating, investing and financing needs. We expect that we will continue to have working capital deficits in the future.

Sources and Uses of Cash

Operating Activities

Our business provided \$4.4 billion of net cash from operations during the nine months ended August 31, 2019, a decrease of \$22 million, or 0.5%, compared to \$4.4 billion for the same period in 2018.

Investing Activities

During the nine months ended August 31, 2019, net cash used in investing activities was \$3.3 billion. This was caused by the following:

- Capital expenditures of \$2.2 billion for our ongoing new shipbuilding program
- Capital expenditures of \$1.2 billion for ship improvements and replacements, information technology and buildings and improvements
- Proceeds from sale of ships of \$15 million

During the nine months ended August 31, 2018, net cash used in investing activities was \$2.6 billion. This was substantially due to the following:

- Capital expenditures of \$1.4 billion for our ongoing new shipbuilding program
- Capital expenditures of \$1.3 billion for ship improvements and replacements, information technology and buildings and improvements
- Proceeds from sale of ships of \$282 million
- Payments of \$37 million for fuel derivative settlements

Financing Activities

During the nine months ended August 31, 2019, net cash used in financing activities of \$912 million was caused by the following:

- Net repayments of short-term borrowings of \$600 million in connection with our availability of, and needs for, cash at various times throughout the period
- Repayments of \$472 million of long-term debt

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- Issuances of \$1.7 billion of long-term debt
- Payments of cash dividends of \$1.0 billion
- Purchases of \$472 million of Carnival Corporation common stock and Carnival plc ordinary shares in open market transactions under our Repurchase Program

During the nine months ended August 31, 2018, net cash used in financing activities of \$1.7 billion was substantially due to the following:

- Net proceeds of short-term borrowings of \$182 million in connection with our availability of, and needs for, cash at various times throughout the period
- Repayments of \$1.3 billion of long-term debt
- Issuances of \$1.6 billion of long-term debt
- Payments of cash dividends of \$1.0 billion
- Purchases of \$1.2 billion of Carnival Corporation common stock and Carnival plc ordinary shares in open market transactions under our Repurchase Program

Capital Expenditure and Capacity Forecast

Our annual capital expenditure forecast consists of contracted new ship growth capital, estimated payments for planned new ship growth capital and capital improvements.

| <i>(in billions)</i> | 2019 | 2020 | 2021 | 2022 |
|-------------------------------------|--------|--------|--------|--------|
| Annual capital expenditure forecast | \$ 6.6 | \$ 5.8 | \$ 5.9 | \$ 5.4 |

Our annual capacity forecast consists of contracted new ships and announced dispositions.

| | 2019 | 2020 | 2021 | 2022 |
|--------------------------|------|------|------|------|
| Annual capacity increase | 4.2% | 7.0% | 5.3% | 5.3% |

Funding Sources

At August 31, 2019, we had liquidity of \$14.5 billion. Our liquidity consisted of \$750 million of cash and cash equivalents, which excludes \$403 million of cash used for current operations, \$3.1 billion available for borrowing under our revolving credit facilities, net of our outstanding commercial paper borrowings, and \$10.7 billion under our committed future financings, which are comprised of ship export credit facilities. These commitments are from numerous large and well-established banks and export credit agencies, which we believe will honor their contractual agreements with us.

| <i>(in billions)</i> | 2019 | 2020 | 2021 | 2022 | 2023 |
|---|--------|--------|--------|--------|--------|
| Availability of committed future financing at August 31, 2019 | \$ 2.0 | \$ 2.8 | \$ 2.8 | \$ 2.3 | \$ 0.9 |

At August 31, 2019, all of our revolving credit facilities are scheduled to mature in 2024, except for \$300 million that matures in September 2020.

Substantially all of our debt agreements contain financial covenants as described in Note 5 - "Unsecured Debt" in the annual consolidated financial statements, which are included within our Form 10-K. At August 31, 2019, we were in compliance with our debt covenants. In addition, based on, among other things, our forecasted operating results, financial condition and cash flows, we expect to be in compliance with our debt covenants for the foreseeable future. Generally, if an event of default under any debt agreement occurs, then pursuant to cross default acceleration clauses, substantially all of our outstanding debt and derivative contract payables could become due, and all debt and derivative contracts could be terminated.

Off-Balance Sheet Arrangements

We are not a party to any off-balance sheet arrangements, including guarantee contracts, retained or contingent interests, certain derivative instruments and variable interest entities that either have, or are reasonably likely to have, a current or future material effect on our consolidated financial statements.

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Item 3. Quantitative and Qualitative Disclosures About Market Risk

For a discussion of our hedging strategies and market risks, see the discussion below and Note 10 - “Fair Value Measurements, Derivative Instruments and Hedging Activities and Financial Risks” in our consolidated financial statements and Management’s Discussion and Analysis of Financial Condition and Results of Operations within our Form 10-K.

Operational Currency Risks

Our operations primarily utilize the U.S. dollar, Australian dollar, euro or sterling as their functional currencies. Our operations also have revenue and expenses denominated in non-functional currencies. Movements in foreign currency exchange rates will affect our financial statements.

Based on a 10% change in all currency exchange rates that were used in our September 26, 2019 guidance, we estimate a less than \$0.01 change to our adjusted diluted earnings per share guidance for the fourth quarter.

Interest Rate Risks

The composition of our debt, including the effect of foreign currency swaps and interest rate swaps, was as follows:

| | August 31, 2019 |
|-------------------|------------------------|
| Fixed rate | 26% |
| EUR fixed rate | 37% |
| Floating rate | 5% |
| EUR floating rate | 24% |
| GBP floating rate | 7% |

Fuel Price Risks

Based on a 10% change in fuel prices versus the current spot price that was used to calculate fuel expense in our September 26, 2019 guidance, we estimate that our adjusted diluted earnings per share guidance would change by the following:

- \$0.05 per share for the fourth quarter of 2019

Item 4. Controls and Procedures

A. Evaluation of Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that information required to be disclosed by us in the reports that we file or submit under the Securities Exchange Act of 1934, is recorded, processed, summarized and reported, within the time periods specified in the U.S. Securities and Exchange Commission’s rules and forms. Disclosure controls and procedures include, without limitation, controls and procedures designed to ensure that information required to be disclosed by us in our reports that we file or submit under the Securities Exchange Act of 1934 is accumulated and communicated to our management, including our principal executive and principal financial officers, or persons performing similar functions, as appropriate, to allow timely decisions regarding required disclosure.

Our President and Chief Executive Officer and our Chief Financial Officer and Chief Accounting Officer have evaluated our disclosure controls and procedures and have concluded, as of August 31, 2019, that they are effective at a reasonable level of assurance, as described above.

B. Changes in Internal Control over Financial Reporting

There have been no changes in our internal control over financial reporting during the quarter ended August 31, 2019 that have materially affected or are reasonably likely to materially affect our internal control over financial reporting.

PART II - OTHER INFORMATION

Item 1. Legal Proceedings

Refer to our consolidated financial statements for information on *Legal Proceedings*.

Item 1A. Risk Factors

The risk factors that affect our business and financial results are discussed in “Item 1A. Risk Factors,” included in the Form 10-K, and there has been no material change to these risk factors since the Form 10-K filing. We wish to caution the reader that the risk factors discussed in “Item 1A. Risk Factors,” included in the Form 10-K, and those described elsewhere in this report or other Securities and Exchange Commission filings, could cause future results to differ materially from those stated in any forward-looking statements. Additional risks and uncertainties not currently known to us or that we currently deem to be immaterial also may materially adversely affect our business, financial condition or future results.

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

A. Repurchase Program

Under a share repurchase program effective 2004, we are authorized to repurchase Carnival Corporation common stock and Carnival plc ordinary shares (the “Repurchase Program”). Effective August 2018, the company approved a modification of the general authorization under the Repurchase Program, which

replenished the remaining authorized repurchases at the time of the approval to \$1.0 billion. The Repurchase Program does not have an expiration date and may be discontinued by our Boards of Directors at any time.

During the three months ended August 31, 2019, no shares of Carnival Corporation common stock were repurchased pursuant to the Repurchase Program.

During the three months ended August 31, 2019, repurchases of Carnival plc ordinary shares pursuant to the Repurchase Program were as follows:

| Period | Total Number of Shares of Carnival plc Purchased (in millions) | Average Price Paid per Share of Carnival plc | Maximum Dollar Value of Shares That May Yet Be Purchased Under the Repurchase Program (in millions) |
|--|---|---|--|
| June 1, 2019 through June 30, 2019 | 0.4 | \$ 43.70 | \$ 401 |
| July 1, 2019 through July 31, 2019 | 1.4 | \$ 44.21 | \$ 341 |
| August 1, 2019 through August 31, 2019 | 1.9 | \$ 43.08 | \$ 260 |
| Total | <u>3.7</u> | \$ 43.57 | |

No shares of Carnival Corporation common stock and Carnival plc ordinary shares were purchased outside of publicly announced plans or programs.

B. Carnival plc Shareholder Approvals

Carnival plc ordinary share repurchases under the Repurchase Program require annual shareholder approval. The existing shareholder approval is limited to a maximum of 19.2 million ordinary shares and is valid until the earlier of the conclusion of the Carnival plc 2020 annual general meeting or July 15, 2020.

Item 6. Exhibits.

INDEX TO EXHIBITS

| Exhibit Number | Exhibit Description | Incorporated by Reference | | | Filed/ Furnished Herewith |
|--|---|----------------------------------|----------------|------------------------|--|
| | | Form | Exhibit | Filing Date | |
| Articles of incorporation and by-laws | | | | | |
| 3.1 | Third Amended and Restated Articles of Incorporation of Carnival Corporation | 8-K | 3.1 | 4/17/2003 | |
| 3.2 | Third Amended and Restated By-Laws of Carnival Corporation | 8-K | 3.1 | 4/20/2009 | |
| 3.3 | Articles of Association of Carnival plc | 8-K | 3.3 | 4/20/2009 | |
| Material contracts | | | | | |
| 10.1 | Amendment and Restatement Agreement dated August 6, 2019 in respect of the Multicurrency Revolving Facilities Agreement dated May 18, 2011, among Carnival Corporation, Carnival plc and certain of Carnival Corporation and Carnival plc subsidiaries, Bank of America Merrill Lynch International Designated Activity Company as facilities agent and a syndicate of financial institutions** | | | | X |
| Rule 13a-14(a)/15d-14(a) certifications | | | | | |
| 31.1 | Certification of President and Chief Executive Officer of Carnival Corporation pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 | | | | X |
| 31.2 | Certification of Chief Financial Officer and Chief Accounting Officer of Carnival Corporation pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 | | | | X |
| 31.3 | Certification of President and Chief Executive Officer of Carnival plc pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 | | | | X |
| 31.4 | Certification of Chief Financial Officer and Chief Accounting Officer of Carnival plc pursuant to Rule 13a-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002 | | | | X |
| Section 1350 certifications | | | | | |
| 32.1* | Certification of President and Chief Executive Officer of Carnival Corporation pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 | | | | X |
| 32.2* | Certification of Chief Financial Officer and Chief Accounting Officer of Carnival Corporation pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 | | | | X |
| 32.3* | Certification of President and Chief Executive Officer of Carnival plc pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 | | | | X |
| 32.4* | Certification of Chief Financial Officer and Chief Accounting Officer of Carnival plc pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002 | | | | X |

SIGNATURES

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

CARNIVAL CORPORATION

By: /s/ Arnold W. Donald
Arnold W. Donald
President and Chief Executive Officer

By: /s/ David Bernstein
David Bernstein
Chief Financial Officer and Chief Accounting Officer

Date: September 26, 2019

CARNIVAL PLC

By: /s/ Arnold W. Donald
Arnold W. Donald
President and Chief Executive Officer

By: /s/ David Bernstein
David Bernstein
Chief Financial Officer and Chief Accounting Officer

Date: September 26, 2019

*Certain portions of this document have been omitted pursuant to Item 601(b)(10) of Regulation S-K and, where applicable, have been marked with “[***]” to indicate where omissions have been made. The marked information has been omitted because it is (i) not material and (ii) would likely cause competitive harm to the registrant if publicly disclosed.*

6 August 2019

CARNIVAL CORPORATION

and

CARNIVAL PLC

THE SUBSIDIARIES OF CARNIVAL CORPORATION and CARNIVAL PLC listed in Schedule 1

(as Borrowers)

BANK OF AMERICA MERRILL LYNCH INTERNATIONAL DESIGNATED ACTIVITY COMPANY,

BANK OF CHINA LIMITED, LONDON BRANCH,

BARCLAYS BANK PLC,

BNP PARIBAS,

CITIGROUP GLOBAL MARKETS LIMITED,

GOLDMAN SACHS BANK USA,

INTESA SANPAOLO S.P.A.,

JPMORGAN CHASE BANK, N.A.,

LLOYDS BANK PLC,

MIZUHO BANK, LTD.,

NATIONAL WESTMINSTER BANK PLC, and

PNC CAPITAL MARKETS, LLC

(as Bookrunners and Mandated Lead Arrangers)

THE FINANCIAL INSTITUTIONS listed in Part B and Part C of the Schedule 1 of the Restated Facilities Agreement

(as Lenders)

THE FINANCIAL INSTITUTIONS listed in Part I of Schedule 14 of the Restated Facilities Agreement

(as Original Lending Affiliates)

BRANCH BANKING & TRUST (BB&T),

CITIBANK, N.A., MILAN BRANCH,

DEUTSCHE BANK AG, LONDON BRANCH,

HSBC BANK FRANCE MILAN BRANCH,

HSBC BANK PLC,

ROYAL BANK OF CANADA,

SOCIÉTÉ GÉNÉRALE,

MUFG BANK, LTD.,

THE ROYAL BANK OF SCOTLAND PLC,

UBS AG, LONDON BRANCH,

US BANK NATIONAL ASSOCIATION

and WELLS FARGO BANK, NATIONAL ASSOCIATION

(as Exiting Lenders)

BANK OF AMERICA MERRILL LYNCH INTERNATIONAL DESIGNATED ACTIVITY COMPANY,

BANK OF CHINA LIMITED, LONDON BRANCH,

CITIBANK EUROPE PLC,

DEUTSCHE BANK LUXEMBOURG S.A.,

HSBC FRANCE

and NATIONAL WESTMINSTER BANK PLC

(as New Lenders)

BANK OF AMERICA MERRILL LYNCH INTERNATIONAL DESIGNATED ACTIVITY COMPANY

(as Facilities Agent)

AMENDMENT AND RESTATEMENT AGREEMENT
in respect of the Multicurrency Revolving Facilities Agreement dated 18 May 2011 as amended and restated on 16 June 2014 (and as otherwise amended from time to time) and as further amended on 18 May 2016

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THIS AGREEMENT is dated 6 August 2019 and made between:

BETWEEN:

- (1) **CARNIVAL CORPORATION** (a Panamanian corporation having its principal place of business at Carnival Place, 3655 N.W. 87th Avenue, Miami, Florida, 33178-2428) (the **Company**);
- (2) **CARNIVAL PLC** (a company incorporated under the laws of England and Wales with registered number 04039524) (**Carnival plc**);
- (3) **THE SUBSIDIARIES OF THE COMPANY** and of **CARNIVAL PLC** listed in Schedule 1 (**Borrowers**) as borrowers (in this capacity and together with the Company and Carnival plc, the **Borrowers**);
- (4) **CARNIVAL CORPORATION** and **CARNIVAL PLC** as guarantors of their respective Subsidiaries (each a **Guarantor**);
- (5) **BANK OF AMERICA MERRILL LYNCH INTERNATIONAL DESIGNATED ACTIVITY COMPANY, BANK OF CHINA LIMITED, LONDON BRANCH, BARCLAYS BANK PLC, BNP PARIBAS, CITIGROUP GLOBAL MARKETS LIMITED, GOLDMAN SACHS BANK USA, INTESA SANPAOLO S.P.A., JPMORGAN CHASE BANK, N.A., LLOYDS BANK PLC, MIZUHO BANK, LTD., NATIONAL WESTMINSTER BANK PLC and PNC CAPITAL MARKETS, LLC** as bookrunners and mandated lead arrangers (in this capacity the **Bookrunners and Mandated Lead Arrangers**);
- (6) **AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED, BANCO SANTANDER, S.A., NEW YORK BRANCH, DEUTSCHE BANK LUXEMBOURG S.A., DZ BANK AG DEUTSCHE ZENTRAL-GENOSSENSCHAFTSBANK, NEW YORK BRANCH and HSBC FRANCE**, as lead arrangers (in this capacity the **Lead Arrangers**);
- (7) **BAYERISCHE LANDESBANK, NEW YORK BRANCH, KFW IPEX-BANK GMBH, and SUMITOMO MITSUI BANKING CORPORATION** as arrangers (in this capacity and, together with the Bookrunners and Mandated Lead Arrangers and the Lead Arrangers, the **Arrangers**);
- (8) **THE FINANCIAL INSTITUTIONS** listed in Part B (*The Lenders – Loan Commitments*) and Part C (*The Swingline Lenders – Swingline Loan Commitments*) of Schedule 1 of the Restated Facilities Agreement (as defined below) as lenders (the **Lenders**);
- (9) **THE FINANCIAL INSTITUTIONS** listed in Part I and Part II of Schedule 14 (*Original Lending Affiliates*) of the Restated Facilities Agreement (as defined below) as original lending affiliates (the **Original Lending Affiliates**);
- (10) **BRANCH BANKING & TRUST (BB&T), CITIBANK, N.A., MILAN BRANCH, DEUTSCHE BANK AG, LONDON BRANCH, HSBC BANK FRANCE MILAN BRANCH, HSBC BANK PLC, ROYAL BANK OF CANADA, SOCIÉTÉ GÉNÉRALE, MUFG BANK, LTD., THE ROYAL BANK OF SCOTLAND PLC, UBS AG, LONDON BRANCH, US BANK NATIONAL ASSOCIATION, and WELLS FARGO BANK, NATIONAL ASSOCIATION** as exiting lenders (the **Exiting Lenders**);
- (11) **BANK OF AMERICA MERRILL LYNCH INTERNATIONAL DESIGNATED ACTIVITY COMPANY, BANK OF CHINA LIMITED, LONDON BRANCH, CITIBANK**

EUROPE PLC, DEUTSCHE BANK LUXEMBOURG S.A., HSBC FRANCE, and NATIONAL WESTMINSTER BANK PLC as new lenders (the *New Lenders*); and

- (12) **BANK OF AMERICA MERRILL LYNCH INTERNATIONAL DESIGNATED ACTIVITY COMPANY** as facilities agent of the other Finance Parties (the *Facilities Agent*).

WHEREAS:

This Agreement is supplemental to and amends the multicurrency facilities agreement (the *Facilities Agreement*) dated 18 May 2011 as amended and restated on 16 June 2014 and as further amended on 18 May 2016 between, among others, the Company, Carnival plc and Bank of America Merrill Lynch International Designated Activity Company as successor in title to Bank of America Merrill Lynch International Limited.

IT IS AGREED as follows:

1. INTERPRETATION

1.1 Definitions

In this Agreement:

2018 Financial Statements means the audited consolidated financial statements of the Carnival Corporation & plc Group for the financial year ended 30 November 2018.

Amendment Fee Letters means the letters from the Facilities Agent to the Company dated on or about the date of this Agreement each setting out the details of certain fees payable to the Remaining Lenders and the New Lenders in connection with the Restated Facilities Agreement.

Effective Date means the date on which the Facilities Agent confirms to the Lenders and the Company that it has received each of the documents listed in Schedule 2 (*Conditions Precedent*) in a form and substance satisfactory to the Facilities Agent. The Facilities Agent shall give such confirmation promptly upon being so satisfied.

Remaining Lenders means the Lenders other than the New Lenders.

Restated Facilities Agreement means the Facilities Agreement, as amended by this Agreement, in the form set out in Schedule 3 (*Restated Facilities Agreement*) to this Agreement.

1.2 Defined terms and construction

In this Agreement, unless the context otherwise requires:

- (a) a reference to a term defined in any other Finance Document has the same meaning in this Agreement;
- (b) references to Clauses are to Clauses of the Restated Facilities Agreement unless otherwise stated; and
- (c) the provisions of Clause 1.2 (*Construction*) apply to this Agreement as though they were set out in full in this Agreement except that references to the Restated Facilities Agreement are to be construed as references to this Agreement.

2. RESTATEMENT OF FACILITY AGREEMENT

2.1 Restatement

With effect from (and including) the Effective Date, the Facilities Agreement shall be amended and restated so that it shall be read and construed for all purposes as set out in Schedule 3 to this Agreement.

2.2 Effective Date

If the Effective Date has not occurred by 31 August 2019 (or any later date which the Facilities Agent and the Company may agree), then Clause 2.1 of this Agreement will lapse and none of the amendments recorded therein will take effect.

3. REPRESENTATIONS

- (a) The representations and warranties in Clause 24 (*Representations*) of the Restated Facilities Agreement are made by each Obligor (by reference to the facts and circumstances then existing) on the date of this Agreement and on the Effective Date, and in each case as if references to the Finance Documents in such representations and warranties include references to this Agreement and the Restated Facilities Agreement.
- (b) The Company confirms that the DLC Documents have not been amended in a manner which would be materially adverse to the interests of the Finance Parties since the date of the Facilities Agreement.

4. GUARANTEE

On the Effective Date, each Obligor:

- (a) confirms its acceptance of the Restated Facilities Agreement;
- (b) agrees that it is bound as an Obligor by the terms of the Restated Facilities Agreement; and
- (c) if a Guarantor, confirms that its guarantee provided under Clause 23 (*Guarantee and Indemnity*) of the Restated Facilities Agreement and the relevant Deed of Guarantee:
 - (i) continues in full force and effect on the terms of the Restated Facilities Agreement and the relevant Deed of Guarantee; and
 - (ii) extends to the obligations of the Obligors under the Finance Documents (including the Restated Facilities Agreement and notwithstanding the imposition of any amended, additional or more onerous obligations).

5. EFFECT OF AMENDMENT

- (a) In accordance with the Facilities Agreement, each of the Facilities Agent and Company designates each of this Agreement, the Restated Facilities Agreement and each Amendment Fees Letter as a Finance Document.
- (b) The Facilities Agreement and this Agreement will, from the Effective Date, be read and construed as one document.

- (c) Except as otherwise provided in this Agreement, the Finance Documents remain in full force and effect.
- (d) Except to the extent expressly waived in this Agreement, no waiver is given by this Agreement and the Lenders expressly reserve all their rights and remedies in respect of any breach of, or other Default under, the Finance Documents.

6. COMMITMENTS

6.1 Acquisition and reduction of Commitments

On and from the Effective Date:

- (a) the Commitments of the Remaining Lenders and the New Lenders will be as set out in Part B (*The Lenders – Loan Commitments*) and Part C (*The Swingline Lenders – Swingline Loan Commitments*) of Schedule 1 of the Restated Facilities Agreement;
- (b) each New Lender will become a Lender under the Restated Facility Agreement with a Commitment as set out opposite its name in Part B (*The Lenders – Loan Commitments*) and Part C (*The Swingline Lenders – Swingline Loan Commitments*) of Schedule 1 of the Restated Facility Agreement;
- (c) the Commitments (as defined in the Facilities Agreement) held by the Remaining Lenders immediately before the Effective Date shall be reduced or increased accordingly; and
- (d) the Exiting Lenders' Commitments (as defined in the Facilities Agreement) shall be reduced to zero, and each of the Exiting Lenders shall cease to be a Lender and shall not be party to the Restated Facilities Agreement.

7. ACCESSION

7.1 By signing this Agreement, each New Lender agrees to assume and will assume on the Effective Date all of the obligations corresponding to the Commitments specified against its name in Part B (*The Lenders – Loan Commitments*) and Part C (*The Swingline Lenders – Swingline Loan Commitments*) of Schedule 1 of the Restated Facilities Agreement as if it was an Original Lender.

7.2 On the Effective Date, each New Lender becomes party to the Finance Documents as a Lender and each Obligor and each New Lender shall assume obligations towards one another and/or acquire rights against one another as the Obligors and the New Lenders would have assumed and/or acquired had the New Lenders been Original Lenders. Each New Lender and each of the other Finance Parties shall assume obligations towards one another and acquire rights against one another as those New Lenders and those Finance Parties would have assumed and/or acquired had the New Lenders been Original Lenders.

7.3 Clause 29.3 (*Limitation of responsibility of Existing Lenders*) of the Facilities Agreement shall apply *mutatis mutandis* in this Agreement in relation to a New Lender as if references in that Clause to:

- (a) an **Existing Lender** were references to all of the Lenders immediately prior to the Effective Date;
- (b) the **New Lender** were references to the New Lenders (as defined in this Agreement); and
- (c) a **re-transfer** and **re-assignment** were references to, respectively, a transfer and assignment.

8. MISCELLANEOUS

8.1 Further assurance

Each Obligor shall, at the request of the Facilities Agent and at its own expense, do all such acts and things necessary or desirable to give effect to the amendments effected or to be effected pursuant to this Agreement.

8.2 Incorporation of terms

The provisions of Clauses 37 (*Notices*), 39 (*Partial invalidity*), 46 (*Governing law*) and 47 (*Enforcement*) apply to this Agreement as though they were set out in full in this Agreement except that references to the Restated Facilities Agreement are to be construed as references to this Agreement.

8.3 Counterparts

This Agreement may be executed in any number of counterparts, and by each party on separate counterparts. Each counterpart is an original, but all counterparts shall together constitute one and the same instrument. Delivery of a counterpart of this Agreement by e-mail attachment or telecopy shall be an effective mode of delivery.

IN WITNESS whereof the parties have caused this Agreement to be duly executed on the date first written above.

SCHEDULE 1

Borrowers

Name of Subsidiaries of the Company and Carnival plc

1. Costa Crociere S.p.A. (a company organised and existing under the laws of Italy as a *società per azioni*, with a share capital equal to Euro 344,314,467.00, having its registered office in Genoa (Italy), Piazza Piccapietra 48, registered with the Companies' Register (*Registro delle Imprese*) of Genoa under no. 02545900108, *Repertorio Economico Amministrativo* no. GE-279842)
2. CC U.S. Ventures, Inc. (a corporation incorporated and existing under the laws of the State of Delaware, United States of America)

SCHEDULE 2

CONDITIONS PRECEDENT

Obligors

1. A copy of the constitutional documents of each Obligor.
2. A copy of a resolution of the board of directors or, if applicable, a committee of the board of directors of each Obligor (and, if required by its existing by-laws, a copy of the resolution of the shareholders' meeting of Costa Crociere S.p.A.), approving the terms of, and the transactions contemplated by, this Agreement, the Restated Facilities Agreement (and in the case of the Company, the Amendment Fee Letters).
3. If applicable, a copy of the resolution of the board of directors appointing the committee referred to in paragraph 2 above.
4. A specimen of the signature of each person who executes this Agreement and (in the case of the Company, the Amendment Fee Letters) and who is authorised on behalf of an Obligor to execute or witness the execution of this Agreement (and in the case of the Company, the Amendment Fee Letters).
5. A certificate of an authorised signatory of the Company:
 - a. confirming that utilising or (with respect to the Company and Carnival plc) guaranteeing the Total Tranche A Commitments, the Total Tranche B Commitments, the Total Tranche C Commitments and the Total Tranche D Commitments (or, in the case of Costa Crociere S.p.A., utilising the Total Tranche C Commitments) in full under the terms of the Restated Facilities Agreement would not breach any limit binding on any Obligor;
 - b. certifying that each copy document relating to any Obligor specified in this Schedule is correct, complete and in full force and effect as at a date no earlier than the date of this Agreement; and

- c. confirming which companies are Material Subsidiaries and providing reasonable details of the calculations used to make such determinations.
6. A copy of a good standing certificate with respect to each US Borrower, issued as of a recent date by the Secretary of State or other appropriate official of each US Borrower's jurisdiction of incorporation or organisation.
7. A certificate of registration (*certificato di iscrizione*) of Costa Crociere S.p.A. with the relevant Companies' Register dated not earlier than five Business Days prior to the execution of this Agreement, confirming that no insolvency procedures have been started in relation to Costa Crociere S.p.A.

Legal opinions

8. A legal opinion of Allen & Overy LLP, London office, English law legal advisers to the Arrangers and the Facilities Agent, addressed to the Finance Parties.
9. A legal opinion of Arias, Fabrega & Fabrega, Panama law legal advisers to the Arrangers and the Facilities Agent, addressed to the Finance Parties.
10. A legal opinion of Allen & Overy LLP, New York office, New York state law legal advisers to the Arrangers and the Facilities Agent, addressed to the Finance Parties.
11. A legal opinion of Morris James LLP, Delaware state law legal advisers to the Arrangers and the Facilities Agent, addressed to the Finance Parties.
12. A legal opinion of Allen & Overy LLP, Milan office, Italian law legal advisers to the Arrangers and the Facilities Agent, addressed to the Finance Parties.

Other documents and evidence

13. This Agreement duly executed by all parties thereto.
14. Deeds of confirmation in respect of the Deeds of Guarantee (as defined in the Facilities Agreement) duly executed by each of the Company and Carnival plc.
15. The Amendment Fee Letters duly executed by all parties thereto.
16. A certified copy of the 2018 Financial Statements.
17. Evidence that the fees, commissions, costs and expenses payable by the Company pursuant to the Amendment Fee Letters have been paid or will be paid on the date set out in the Amendment Fee Letters.

SCHEDULE 3

RESTATED FACILITIES AGREEMENT

CARNIVAL CORPORATION

CARNIVAL PLC

THE COMPANIES LISTED IN Schedule 1

Arranged by

**BANK OF AMERICA MERRILL LYNCH INTERNATIONAL DESIGNATED ACTIVITY COMPANY,
BANK OF CHINA LIMITED, LONDON BRANCH,
BARCLAYS BANK PLC,
BNP PARIBAS,
CITIGROUP GLOBAL MARKETS LIMITED,
GOLDMAN SACHS BANK USA,
INTESA SANPAOLO S.P.A.,
JPMORGAN CHASE BANK, N.A.,
LLOYDS BANK PLC,
MIZUHO BANK, LTD.,
NATIONAL WESTMINSTER BANK PLC, and
PNC CAPITAL MARKETS, LLC
(as Bookrunners and Mandated Lead Arrangers)**

With

THE FINANCIAL INSTITUTIONS listed in Part B and Part C of Schedule 1

as Original Lenders

THE FINANCIAL INSTITUTIONS listed in Part I of Schedule 14

as Original Lending Affiliates

**BANK OF AMERICA MERRILL LYNCH INTERNATIONAL DESIGNATED ACTIVITY COMPANY
as Facilities Agent**

**FACILITIES AGREEMENT
for
Multicurrency Revolving Facilities**

**dated 18 May 2011 as amended and restated by an amendment and restatement agreement dated
16 June 2014 and 6 August 2019**

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THIS AGREEMENT is dated 18 May 2011 (as amended and restated on 16 June 2014 and 6 August 2019) and made

BETWEEN:

- (1) **CARNIVAL CORPORATION** (a Panamanian corporation having its principal place of business at Carnival Place, 3655 N.W. 87th Avenue, Miami, Florida, 33178-2428) (the *Company*);
- (2) **CARNIVAL PLC** (a company incorporated under the laws of England and Wales with registered number 04039524) (*Carnival plc*);
- (3) **THE SUBSIDIARIES OF THE COMPANY** and of **CARNIVAL PLC** listed in Part A of Schedule 1 as borrowers (in this capacity and together with the Company and Carnival plc, the *Original Borrowers*);
- (4) **CARNIVAL CORPORATION** and **CARNIVAL PLC** as guarantors of their respective Subsidiaries (each a *Guarantor*);
- (5) **BANK OF AMERICA MERRILL LYNCH INTERNATIONAL DESIGNATED ACTIVITY COMPANY, BANK OF CHINA LIMITED, LONDON BRANCH, BARCLAYS BANK PLC, BNP PARIBAS, CITIGROUP GLOBAL MARKETS LIMITED, GOLDMAN SACHS BANK USA, INTESA SANPAOLO S.P.A., JPMORGAN CHASE BANK, N.A., LLOYDS BANK PLC, MIZUHO BANK, LTD., NATIONAL WESTMINSTER BANK PLC and PNC CAPITAL MARKETS, LLC** as bookrunners and mandated lead arrangers (in this capacity the *Bookrunners and Mandated Lead Arrangers*);
- (6) **AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED, BANCO SANTANDER, S.A., NEW YORK BRANCH, DEUTSCHE BANK LUXEMBOURG S.A., DZ BANK AG DEUTSCHE ZENTRAL-GENOSSENSCHAFTSBANK, NEW YORK BRANCH and HSBC FRANCE**, as lead arrangers (in this capacity the *Lead Arrangers*);
- (7) **BAYERISCHE LANDESBANK, NEW YORK BRANCH, KFW IPEX-BANK GMBH, and SUMITOMO MITSUI BANKING CORPORATION** as arrangers (in this capacity and, together with the Bookrunners and Mandated Lead Arrangers and the Lead Arrangers, the *Arrangers*);
- (8) **THE FINANCIAL INSTITUTIONS** listed in Part B and Part C of Schedule 1 as lenders (the *Original Lenders*);
- (9) **THE FINANCIAL INSTITUTIONS** listed in Part I of Schedule 14 (*Original Lending Affiliates*) as original lending affiliates (the *Original Lending Affiliates*); and
- (10) **BANK OF AMERICA MERRILL LYNCH INTERNATIONAL DESIGNATED ACTIVITY COMPANY** as facilities agent of the other Finance Parties (the *Facilities Agent*).

IT IS AGREED as follows:

1. DEFINITIONS AND INTERPRETATION

1.1 Definitions

In this Agreement:

Acceptable Bank means a bank or financial institution which meets the Rating Requirements.

Accession Letter means a document substantially in the form set out in Schedule 5 (*Form of Accession Letter*).

Account Party means a Bond Borrower or any member of the Carnival Corporation & plc Group who has requested a Bond Borrower to request a Bond.

Additional Borrower means a company which becomes an Additional Borrower in accordance with Clause 30 (*Changes to the Obligors*).

Affiliate means, in relation to any person, a Subsidiary of that person or a Holding Company of that person or any other Subsidiary of that Holding Company.

2014 Amendment Effective Date means the Effective Date under and as defined in the 2014 Amendment and Restatement Agreement.

2019 Amendment Effective Date means the Effective Date under and as defined in the 2019 Amendment and Restatement Agreement.

2014 Amendment and Restatement Agreement means the amendment and restatement agreement dated 16 June 2014 between, inter alios, the Company, Carnival plc and the Facilities Agent amending and restating this Agreement on and from the 2014 Amendment Effective Date.

2019 Amendment and Restatement Agreement means the amendment and restatement agreement dated 6 August 2019 between, inter alios, the Company, Carnival plc and the Facilities Agent amending and restating this Agreement on and from the 2019 Amendment Effective Date.

Approved Jurisdiction means:

- (a) Italy;
- (b) The Netherlands;
- (c) Panama;
- (d) United Kingdom;
- (e) United States; or
- (f) any other country or jurisdiction agreed in writing by the Company and the Facilities Agent (acting on the instruction of all the Lenders).

Assurance Statement means the most recent assurance statement related to greenhouse gas emissions, inventory and sustainability data of the Carnival Corporation & plc Group as verified by Lloyds Register Quality Assurance or another independent third party appointed by the Company (acting reasonably).

Availability Period means the period from and including the Signing Date to and including the Termination Date.

Available Bond Facility means the aggregate, for the time being, of the Available Tranche D Commitments.

Available Commitment of a Lender means the aggregate of that Lender's:

- (a) Available Tranche A Commitment;
- (b) Available Tranche B Commitment;
- (c) Available Tranche C Commitment; and
- (d) Available Tranche D Commitment.

Available Swingline Commitment of a Swingline Lender means the aggregate of that Swingline Lender's:

- (a) Available Swingline Tranche A Commitment;
- (b) Available Swingline Tranche B Commitment; and
- (c) Available Swingline Tranche C Commitment.

Available Swingline Tranche A Commitment of a Swingline Lender under Tranche A means (but without limiting Clause 8.6 (*Relationship with the Facilities*)) that Lender's Swingline Tranche A Commitment minus:

- (a) the Base Currency Amount of its participation in any outstanding Swingline Loans under Tranche A; and
- (b) in relation to any proposed Swingline Utilisation under Tranche A, the Base Currency Amount of its participation in any Swingline Loans that are due to be made under Tranche A on or before the proposed Utilisation Date,

other than that Lender's participation in any Swingline Loans under Tranche A that are due to be repaid or prepaid on or before the proposed Utilisation Date.

Available Swingline Tranche A Facility means the aggregate for the time being of each Swingline Lender's Available Swingline Tranche A Commitment.

Available Swingline Tranche B Commitment of a Swingline Lender under Tranche B means (but without limiting Clause 8.6 (*Relationship with the Facilities*)) that Lender's Swingline Tranche B Commitment minus:

- (a) the Base Currency Amount of its participation in any outstanding Swingline Loans under Tranche B; and
- (b) in relation to any proposed Swingline Utilisation under Tranche B, the Base Currency Amount of its participation in any Swingline Loans that are due to be made under Tranche B on or before the proposed Utilisation Date,

other than that Lender's participation in any Swingline Loans under Tranche B that are due to be repaid or prepaid on or before the proposed Utilisation Date.

Available Swingline Tranche B Facility means the aggregate for the time being of each Swingline Lender's Available Swingline Tranche B Commitment.

Available Swingline Tranche C Commitment of a Swingline Lender under Tranche C means (but without limiting Clause 8.6 (*Relationship with the Facilities*)) that Lender's Swingline Tranche C Commitment minus:

- (a) the Base Currency Amount of its participation in any outstanding Swingline Loans under Tranche C; and
- (b) in relation to any proposed Swingline Utilisation under Tranche C, the Base Currency Amount of its participation in any Swingline Loans that are due to be made under Tranche C on or before the proposed Utilisation Date,

other than that Lender's participation in any Swingline Loans under Tranche C that are due to be repaid or prepaid on or before the proposed Utilisation Date.

Available Swingline Tranche C Facility means the aggregate for the time being of each Swingline Lender's Available Swingline Tranche C Commitment.

Available Tranche A Commitment of a Lender means that Lender's Tranche A Commitment minus:

- (a) the Base Currency Amount of its participation in any outstanding Utilisations under Tranche A; and
- (b) in relation to any proposed Utilisation under Tranche A, the Base Currency Amount of its participation in any Utilisations under Tranche A that are due to be made on or before the proposed Utilisation Date,

other than that Lender's participation in any Utilisations under Tranche A that are due to be repaid or prepaid on or before the proposed Utilisation Date or, for the purposes of calculating any Lender's Tranche A Indemnified Proportion, on or before the date of the proposed indemnification.

Available Tranche B Commitment of a Lender means that Lender's Tranche B Commitment minus:

- (a) the Base Currency Amount of its participation in any outstanding Utilisations under Tranche B; and
- (b) in relation to any proposed Utilisation under Tranche B, the Base Currency Amount of its participation in any Utilisations under Tranche B that are due to be made on or before the proposed Utilisation Date,

other than that Lender's participation in any Utilisations under Tranche B that are due to be repaid or prepaid on or before the proposed Utilisation Date or, for the purposes of calculating any Lender's Tranche B Indemnified Proportion, on or before the date of the proposed indemnification.

Available Tranche C Commitment of a Lender means that Lender's Tranche C Commitment minus:

- (a) the Base Currency Amount of its participation in any outstanding Utilisations under Tranche C; and
- (b) in relation to any proposed Utilisation under Tranche C, the Base Currency Amount of its participation in any Utilisations under Tranche C that are due to be made on or before the proposed Utilisation Date,

other than that Lender's participation in any Utilisations under Tranche C that are due to be repaid or prepaid on or before the proposed Utilisation Date or, for the purposes of calculating any Lender's Tranche C Indemnified Proportion, on or before the date of the proposed indemnification.

Available Tranche D Commitment of a Lender means that Lender's Tranche D Commitment minus:

- (a) the Base Currency Amount of its participation in any outstanding Utilisations under Tranche D; and
- (b) in relation to any proposed Utilisation under Tranche D, the Base Currency Amount of its participation in any Utilisations under Tranche D that are due to be made on or before the proposed Utilisation Date,

other than that Lender's participation in any Utilisations under Tranche D that are due to be repaid or prepaid on or before the proposed Utilisation Date.

Available Tranche A Facility means the aggregate for the time being of each Lender's Available Tranche A Commitment.

Available Tranche B Facility means the aggregate for the time being of each Lender's Available Tranche B Commitment.

Available Tranche C Facility means the aggregate for the time being of each Lender's Available Tranche C Commitment.

Available Tranche D Facility means the aggregate for the time being of each Lender's Available Tranche D Commitment.

Bank Levy means the U.K. Bank Levy or any other bank levy, or a levy or Tax of similar nature imposed by reference to the assets or liabilities of a financial institution in any relevant jurisdiction which has been announced or implemented on or before the 2019 Amendment Effective Date.

Base Currency means:

- (a) in relation to Tranche A, US Dollars;
- (b) in relation to Tranche B, Sterling;
- (c) in relation to Tranche C, euro; and
- (d) in relation to Tranche D, US Dollars.

Base Currency Amount means, in relation to a Utilisation, the amount specified in the relevant Utilisation Request delivered by a Borrower for that Utilisation or (if the amount requested is not denominated in the Base Currency for the relevant Tranche requested in that Utilisation Request) that amount converted into the Base Currency for the relevant Tranche at the Facilities Agent's Spot Rate of Exchange on the date which is three Business Days before the Utilisation Date or, if later, on the date the Facilities Agent receives the relevant Utilisation Request adjusted to reflect any repayment (other than a repayment arising from a change of currency), prepayment, consolidation or division of the Utilisation, and in addition in the case of a Bond, as adjusted under Clause 6.9 (*Revaluation of Bonds*).

Basel III means:

- (a) the agreements on capital requirements, a leverage ratio and liquidity standards contained in “Basel III: A global regulatory framework for more resilient banks and banking systems”, “Basel III: International framework for liquidity risk measurement, standards and monitoring” and “Guidance for national authorities operating the countercyclical capital buffer” published by the Basel Committee on Banking Supervision in December 2010, each as amended, supplemented or restated;
- (b) the rules for global systemically important banks contained in “Global systemically important banks: assessment methodology and the additional loss absorbency requirement – Rules text” published by the Basel Committee on Banking Supervision in November 2011, as amended, supplemented or restated; and
- (c) any further guidance or standards published by the Basel Committee on Banking Supervision relating to “Basel III”.

Bond means any bond (including but not limited to surety bonds and performance bonds), guarantee (including but not limited to financial guarantees and performance guarantees), letter of credit (including but not limited to financial letters of credit, performance letters of credit and standby letters of credit), indemnity or other deed of obligation issued or to be issued by a Tranche D Lender.

Bond Borrower means a Borrower who has requested a Bond Utilisation.

Bond Utilisation means a utilisation of a Bond under the Bonding Facility (including a renewal of a Bond in accordance with Clause 6.8 (*Renewal of a Bond*)).

Bond Utilisation Request means a notice substantially in the form set out in Part B of Schedule 3 (*Utilisation Request - Bonds*).

Bonding Facility means the bonding facility made available under Tranche D of this Agreement as described in Clause 6 (*Utilisation - Bonds*) in a maximum amount of US\$300,000,000.

Borrower means an Original Borrower or an Additional Borrower unless it has ceased to be a Borrower in accordance with Clause 30 (*Changes to the Obligors*).

Break Costs means the amount (if any) by which:

- (a) the interest (excluding amounts in respect of Margin) which a Lender should have received for the period from the date of receipt of all or any part of its participation in a Loan or Unpaid Sum to the last day of the current Interest Period in respect of that Loan or Unpaid Sum, had the principal amount or Unpaid Sum received been paid on the last day of that Interest Period,

exceeds:

- (b) the amount which that Lender would be able to obtain by placing an amount equal to the principal amount or Unpaid Sum received by it on deposit with a leading bank in the Relevant Market for a period starting on the Business Day following receipt or recovery and ending on the last day of the current Interest Period.

Business Day means a day (other than a Saturday or Sunday) on which banks are open for general business in London and New York and:

- (a) if on that day a payment in, or a purchase of, a currency (other than euro) is to be made, the principal financial centre of the country of that currency; or

(b) if on that day a payment in, or a purchase of, euro is to be made, which is also a TARGET Day.

CO₂ Emissions Rate means the ship fuel greenhouse gas emission rate (in grams CO₂e/ALB-KM) as set out in the Assurance Statement.

CO₂ Performance means [***].

Carnival Corporation & plc Group means the Carnival Corporation Group and the Carnival plc Group.

Carnival Corporation Group means the Company and all its Subsidiaries from time to time.

Carnival Credit Rating has the meaning given to that term in Clause 14.5 (*Margin*).

Carnival Material Group Member means the Company, Carnival plc, each other Obligor or any Material Subsidiary.

Carnival plc Group means Carnival plc and all its Subsidiaries from time to time.

Code means, at any date, the United States Internal Revenue Code of 1986 (or any successor legislation thereto) as amended from time to time, and the regulations promulgated and any rulings issued thereunder, all as the same may be in effect at such date.

Commitment means, at any time, in respect of a Lender, the aggregate of that Lender's:

- (a) Tranche A Commitment;
- (b) Tranche B Commitment (for the purpose only of calculating the utilisation fee pursuant to Clause 17.4 converted into US Dollars at the Facilities Agent's Spot Rate of Exchange at that time);
- (c) Tranche C Commitment (for the purpose only of calculating the utilisation fee pursuant to Clause 17.4 converted into US Dollars at the Facilities Agent's Spot Rate of Exchange at that time); and
- (d) Tranche D Commitment.

Commitment Letter means the commitment letter dated 1 April 2011 from the Arrangers to the Company and Carnival plc.

Compliance Certificate means a certificate substantially in the form set out in Schedule 7 (*Form of Compliance Certificate*).

Confidential Information means all information relating to the Company, any Obligor, the Carnival Corporation & plc Group, the Finance Documents or the Facility of which a Finance Party becomes aware in its capacity as, or for the purpose of becoming, a Finance Party or which is received by a Finance Party in relation to, or for the purpose of becoming a Finance Party under, the Finance Documents or the Facility from either:

- (a) any member of the Carnival Corporation & plc Group or any of its advisers; or

- (b) another Finance Party, if the information was obtained by that Finance Party directly or indirectly from any member of the Carnival Corporation & plc Group or any of its advisers,

in whatever form, and includes information given orally and any document, electronic file or any other way of representing or recording information which contains or is derived or copied from such information but excludes,

- (i) information that:
- (A) is or becomes public information other than as a direct or indirect result of any breach by that Finance Party of Clause 42 (*Confidential Information*); or
 - (B) is identified in writing at the time of delivery as non-confidential by any member of the Carnival Corporation & plc Group or any of its advisers; or
 - (C) is known by that Finance Party before the date the information is disclosed to it in accordance with paragraphs (a) or (b) above or is lawfully obtained by that Finance Party after that date, from a source which is, as far as that Finance Party is aware, unconnected with the Carnival Corporation & plc Group and which, in either case, as far as that Finance Party is aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality; and
- (ii) any Funding Rate or Reference Bank Quotation.

Confidentiality Undertaking means a confidentiality undertaking substantially in the form set out in Schedule 8 (*Confidentiality Undertaking*).

CP Programme means:

- (a) any US Dollar, euro or Sterling commercial paper programme; or
- (b) any other short term borrowings having a term of not more than 364 days,

of a member of the Carnival Corporation & plc Group.

CTA 2009 means the U.K. Corporation Tax Act 2009.

CRD IV means (A) Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 on prudential requirements for credit institutions and investment firms and amending Regulation (EU) No. 648/2012) and (B) Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC.

Deeds of Guarantee means:

- (a) the deed of guarantee issued by the Company in favour of the Facilities Agent on behalf of the Finance Parties in respect of Carnival plc dated on or about the Signing Date (as confirmed pursuant to a guarantee confirmation dated on or around the 2019 Amendment Effective Date); and
- (b) the deed of guarantee issued by Carnival plc in favour of the Facilities Agent on behalf of the Finance Parties in respect of the Company dated on or about the Signing Date (as confirmed pursuant to a guarantee confirmation dated on or around the 2019 Amendment Effective Date).

Default means:

- (a) an Event of Default; or
- (b) any event or circumstance specified in Clause 28 (*Events of Default*) which would (with the expiry of a grace period, or the giving of notice, or any combination of them) be an Event of Default.

Defaulting Lender means any Lender:

- (a) which has failed to make its participation in a Loan available or has notified the Facilities Agent that it will not make its participation in a Loan available by the Utilisation Date of that Loan in accordance with Clause 5.4 (*Lenders' participation*) or 8.5 (*Swingline Lenders' participation*);
- (b) which has otherwise rescinded or repudiated a Finance Document; or
- (c) with respect to which an Insolvency Event has occurred and is continuing,

unless, in the case of paragraph (a) above:

- (i) its failure to pay is caused by:
 - (A) administrative or technical error; or
 - (B) a Disruption Event; andpayment is made within five Business Days of its due date; or
- (ii) the Lender is disputing in good faith whether it is contractually obliged to make the payment in question.

Disruption Event means either or both of:

- (a) a material disruption to those payment or communications systems or to those financial markets which are, in each case, required to operate in order for payments to be made in connection with the Facilities (or otherwise in order for the transactions contemplated by the Finance Documents to be carried out) which disruption is not caused by, and is beyond the control of, any of the Parties; or
- (b) the occurrence of any other event which results in a disruption (of a technical or systems-related nature) to the treasury or payments operations of a Party preventing that, or any other, Party:
 - (i) from performing its payment obligations under the Finance Documents; or
 - (ii) from communicating with other Parties in accordance with the terms of the Finance Documents,

and which (in either such case) is not caused by, and is beyond the control of, the Party whose operations are disrupted.

DLC Documents means the agreements, deeds, instruments and constituent documents related to the Company and Carnival plc, as amended from time to time, establishing the dual listed company structure between the Company and Carnival plc entered into as contemplated by the Offer and Implementation Agreement between the Company and Carnival plc dated 8 January 2003 namely the SVE Special Voting

Deed, Carnival Corporation's Articles and By-Laws, Carnival plc's Memorandum and Articles, the Carnival Corporation Deed of Guarantee, the P&O Princess Guarantee (as each such expression is defined in the Equalisation and Governance Agreement), the deed between the Company and P&O Princess Cruises plc dated 17 April 2003, the pairing agreement between the Company, The Law Debenture Trust Corporation (Cayman) Limited and SunTrust Bank dated 17 April 2003, the P&O Princess special voting trust deed made between the Company and the Law Debenture Trust Corporation (Cayman) Limited dated 17 April 2003 and the Equalisation and Governance Agreement.

Dutch Borrower means each Additional Borrower resident for tax purposes in The Netherlands.

Dutch Civil Code means the Burgerlijk Wetboek.

Dutch Insolvency Law means Dutch Bankruptcy Act (*Faillissementswet*).

Dutch Works Council Act means the Netherlands Works Council Act (*Wet op de ondernemingsraden*).

Equalisation and Governance Agreement means the equalisation and governance agreement dated 17 April 2003 between the Company and Carnival plc.

ERISA means the Employee Retirement Income Security Act of 1974, as amended from time to time, and the regulations promulgated and rulings issued thereunder.

EURIBOR means, in relation to any Loan in euro:

- (a) the applicable Screen Rate as of the Specified Time for euro and for a period equal in length to the Interest Period of that Loan; or
- (b) as otherwise determined pursuant to Clause 16.1 (*Unavailability of Screen Rate*).

euro, EUR and € means the single currency of the Participating Member States.

Event of Default means any event or circumstance specified as such in Clause 28 (*Events of Default*).

Excluded Assets means any assets sold or otherwise disposed of by any person, provided such person, directly or indirectly has the right to possession or use of such assets notwithstanding such transfer or other disposition.

Expiry Date means, in respect of a Bond, the last day of the Term of that Bond.

Extended Termination Date has the meaning given to that term in Clause 10.2 (*Extension of Termination Date*).

Extension Request means a notice substantially in the form set out in Schedule 11 (*Form of Extension Request*).

Facilities means the multicurrency revolving facilities made available under this Agreement as described in Clause 2 (*The Facilities*).

Facilities Agent's Spot Rate of Exchange means:

- (a) the Facilities Agent's spot rate of exchange; or
- (b) (if the Facilities Agent does not have an available spot rate of exchange) any other publicly available spot rate of exchange selected by the Facilities Agent (acting reasonably),

for the purchase of a relevant currency with US Dollars, euro or Sterling, as the case may be, in the London foreign exchange market at or about 11:00 a.m. on a particular day.

Facility Office means the office or offices notified by a Lender to the Facilities Agent in writing on or before the date it becomes a Lender (or, following that date, by not less than five Business Days' written notice) as the office or offices through which it will perform its obligations under this Agreement.

FATCA means:

- (a) sections 1471 to 1474 of the Code or any associated regulations;
- (b) any treaty, law or regulation of any other jurisdiction, or relating to an intergovernmental agreement between the US and any other jurisdiction, which (in either case) facilitates the implementation of any law or regulation referred to in paragraph (a) above; or
- (c) any agreement pursuant to the implementation of any treaty, law or regulations referred to paragraphs (a) or (b) above with the US Internal Revenue Service, the US government or any governmental or taxation authority in any other jurisdiction.

FATCA Application Date means:

- (a) in relation to a "withholdable payment" described in section 1473(1)(A)(i) of the Code (which relates to payments of interest and certain other payments from sources within the US), 1 July 2014; or
- (b) in relation to a "passthru payment" described in section 1471(d)(7) of the Code not falling within paragraph (a) above, the first date from which such payment may become subject to a deduction or withholding required by FATCA.

FATCA Deduction means a deduction or withholding from a payment under a Finance Document required by FATCA.

FATCA Exempt Party means a Party that is entitled to receive payments free from any FATCA Deduction.

Federal Funds Rate means, in relation to any day, the rate per annum equal to:

- (a) the weighted average of the rates on overnight Federal funds transactions with members of the US Federal Reserve System arranged by Federal funds brokers, as published for that day (or, if that day is not a Business Day, for the immediately preceding Business Day) by the Federal Reserve Bank of New York; or
- (b) if a rate is not so published for any day which is a Business Day, the average of the quotations for that day on such transactions received by the Facilities Agent from three Federal funds brokers of recognised standing selected by the Facilities Agent.

Fee Letter means any letter or letters dated on or about the Signing Date or the 2019 Amendment Effective Date, as appropriate, between the Arrangers and the Company, the Facilities Agent and the Company, the active bookrunners (as such term is used in the Commitment Letter) and the Company, setting out any of the fees referred to in Clause 17 (*Fees*).

Finance Document means:

- (a) this Agreement;

- (b) the 2014 Amendment and Restatement Agreement;
- (c) the 2019 Amendment and Restatement Agreement;
- (d) each Fee Letter;
- (e) each of the Deeds of Guarantee;
- (f) each Utilisation Request;
- (g) a Transfer Certificate (if any);
- (h) any Accession Letter;
- (i) any Resignation Letter; and
- (j) any other document designated as such by the Facilities Agent and the Company.

Finance Party means the Facilities Agent, an Arranger or a Lender.

Funding Rate means any individual rate notified by a Lender to the Facilities Agent pursuant to paragraph (a)(ii) of Clause 16.4 (*Cost of funds*) or paragraph (a)(ii) of Clause 9.9 (*Cost of funds – Swingline Loans under Tranche C*).

General Banking Conditions means the general banking terms and conditions (*algemene Bankvoorwaarden*) of any member of the Dutch Association for Banks (*Nederlandse Vereniging van Banken*).

Holding Company means, in relation to a company or corporation, any other company or corporation in respect of which it is a Subsidiary.

Impaired Agent means the Facilities Agent at any time when:

- (a) it has failed to make (or has notified a Party that it will not make) a payment required to be made by it under the Finance Documents by the due date for payment;
- (b) the Facilities Agent otherwise rescinds or repudiates a Finance Document;
- (c) (if the Facilities Agent is also a Lender) it is a Defaulting Lender under paragraph (a) or (b) of the definition of “Defaulting Lender”;
or
- (d) an Insolvency Event has occurred and is continuing with respect to the Facilities Agent;

unless, in the case of paragraph (a) above:

- (i) its failure to pay is caused by:
 - (A) administrative or technical error; or
 - (B) a Disruption Event; andpayment is made within three Business Days of its due date; or
- (ii) the Facilities Agent is disputing in good faith whether it is contractually obliged to make the payment in question.

Increase Confirmation means a confirmation substantially in the form set out in Schedule 10 (*Form of Increase Confirmation*).

Increase Date has the meaning given to that term in the Increase Confirmation.

Increase Lender has the meaning given to that term in Clause 2.2 (*Increase*).

Increased Cost means:

- (a) a reduction in the rate of return from the Facilities or on a Finance Party's (or its Affiliate's) overall capital;
- (b) an additional or increased cost; or
- (c) a reduction of any amount due and payable under any Finance Document,

which is incurred or suffered by a Finance Party or any of its Affiliates but only to the extent that it is attributable to that Finance Party having entered into its Tranche A Commitment, Tranche B Commitment, Tranche C Commitment and/or Tranche D Commitment or funding or performing its obligations under any Finance Document.

Insolvency Event in relation to a Finance Party means that the Finance Party:

- (a) is dissolved (other than pursuant to a consolidation, amalgamation or merger);
- (b) becomes insolvent or is unable to pay its debts or fails or admits in writing its inability generally to pay its debts as they become due;
- (c) makes a general assignment, arrangement or composition with or for the benefit of its creditors;
- (d) institutes or has instituted against it, by a regulator, supervisor or any similar official with primary insolvency, rehabilitative or regulatory jurisdiction over it in the jurisdiction of its incorporation or organisation or the jurisdiction of its head or home office, a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation by it or such regulator, supervisor or similar official;
- (e) has instituted against it a proceeding seeking a judgment of insolvency or bankruptcy or any other relief under any bankruptcy or insolvency law or other similar law affecting creditors' rights, or a petition is presented for its winding-up or liquidation, and, in the case of any such proceeding or petition instituted or presented against it, such proceeding or petition is instituted or presented by a person or entity not described in paragraph (d) above and:
 - (i) results in a judgment of insolvency or bankruptcy or the entry of an order for relief or the making of an order for its winding-up or liquidation; or
 - (ii) is not dismissed, discharged, stayed or restrained in each case within 30 days of the institution or presentation thereof;
- (f) has exercised in respect of it one or more of the stabilisation powers pursuant to Part 1 of the Banking Act 2009 and/or has instituted against it a bank insolvency proceeding pursuant to Part 2 of the Banking Act 2009 or a bank administration proceeding pursuant to Part 3 of the Banking Act 2009;

- (g) has a resolution passed for its winding-up, official management or liquidation (other than pursuant to a consolidation, amalgamation or merger);
- (h) seeks or becomes subject to the appointment of an administrator, provisional liquidator, conservator, receiver, trustee, custodian or other similar official for it or for all or substantially all its assets;
- (i) has a secured party take possession of all or substantially all its assets or has a distress, execution, attachment, sequestration or other legal process levied, enforced or sued on or against all or substantially all its assets and such secured party maintains possession, or any such process is not dismissed, discharged, stayed or restrained, in each case within 30 days thereafter;
- (j) causes or is subject to any event with respect to it which, under the applicable laws of any jurisdiction, has an analogous effect to any of the events specified in paragraphs (a) to (i) above; or
- (k) takes any action in furtherance of, or indicating its consent to, approval of, or acquiescence in, any of the foregoing acts.

Interest Period means:

- (a) in relation to a Loan (other than a Swingline Loan), each period determined in accordance with Clause 15 (*Interest Periods*);
- (b) in relation to a Swingline Loan, each period determined in accordance with Clause 9.7 (*Interest Period*); and
- (c) in relation to an Unpaid Sum, each period determined in accordance with Clause 14.3 (*Interest on overdue amounts*).

Interpolated Screen Rate means, in relation to any Loan, the rate rounded to the same number of decimal places as the two relevant Screen Rates which results from interpolating on a linear basis between:

- (a) the applicable Screen Rate for the longest period (for which that Screen Rate is available) which is less than the Interest Period of that Loan; and
- (b) the applicable Screen Rate for the shortest period (for which that Screen Rate is available) which exceeds the Interest Period of that Loan,

each as of the Specified Time for the currency of that Loan.

ITA 2007 means the U.K. Income Tax Act 2007.

Italian Banking Act means the Legislative Decree no. 385 of 1 September 1993 (as amended and supplemented from time to time).

Italian Insolvency Law means Royal Decree no. 267 of 16 May 1942 (as amended and supplemented from time to time).

Lender means:

- (a) any Original Lender; and

- (b) any bank or financial institution which has become a Party in accordance with the 2014 Amendment and Restatement Agreement, the 2019 Amendment and Restatement Agreement, Clause 2.2 (*Increase*) or Clause 29 (*Changes to the Lenders*) in the capacity of Lender,

which in each case has not ceased to be a Party in accordance with the terms of this Agreement.

LIBOR means, in relation to any Loan in any currency (other than euro):

- (a) the applicable Screen Rate as of the Specified Time for the currency of that Loan and for a period equal in length to the Interest Period of that Loan; or ;
- (b) as otherwise determined pursuant to Clause 16.4 (*Unavailability of Screen Rate*).

Loan means a Loan Utilisation or a Swingline Loan or the principal amount outstanding for the time being of that Loan Utilisation or Swingline Loan, as the case may be.

Loan Utilisation means a loan made or to be made under Clause 5, including any loan deemed to have been requested under Clauses 7.1(b) and 9.3(b)

Loan Utilisation Request means a notice substantially in the form set out in Part A of Schedule 3 (*Utilisation Request - Loans*).

Majority Lenders means, at any time, a Lender or Lenders whose Commitments aggregate more than 66 ⅔% of the Total Commitments (or, if the Total Commitments have been reduced to zero and there are no Utilisations then outstanding, aggregated more than 66 ⅔% of the Total Commitments immediately prior to the reduction).

Majority Tranche D Lenders means, at any time, a Lender or Lenders whose Tranche D Commitments aggregate more than 66 ⅔% of the Total Tranche D Commitments (or, if the Total Tranche D Commitments have been reduced to zero and there are no Utilisations then outstanding, aggregated more than 66 ⅔% of the Total Tranche D Commitments immediately prior to the reduction).

Margin means at any time the percentage rate per annum determined at such time to be the margin in accordance with Clause 14.5 (*Margin*).

Material Adverse Effect means a material and adverse effect on:

- (a) the ability of any Obligor to perform and observe its payment obligations under any Finance Document; and
- (b) the financial condition of the Carnival Corporation & plc Group as a whole.

Material Subsidiary means, at any time, a Subsidiary of the Company or Carnival plc whose gross assets, pre-tax profits or turnover then equal or exceed 10 percent. of the gross assets, pre-tax profits or turnover of the Carnival Corporation & plc Group.

For this purpose:

- (a) the gross assets, pre-tax profits or turnover of a Subsidiary of the Company or Carnival plc will be determined from its financial statements (consolidated if it has Subsidiaries) upon which the latest audited financial statements of the Carnival Corporation & plc Group have been based;
- (b) if a Subsidiary of the Company or Carnival plc becomes a member of the Carnival Corporation & plc Group after the date on which the latest audited financial statements of the Carnival

Corporation & plc Group have been prepared, the gross assets, pre-tax profits or turnover of that Subsidiary will be determined from its latest financial statements;

- (c) the gross assets, pre-tax profits or turnover of the Carnival Corporation & plc Group will be determined from its latest audited financial statements, adjusted (where appropriate) to reflect the gross assets, pre-tax profits or turnover of any company or business subsequently acquired or disposed of; and
- (d) if a Material Subsidiary disposes of all or substantially all of its assets to another member of the Carnival Corporation & plc Group, it will immediately cease to be a Material Subsidiary and the other Subsidiary (if it is not already) will immediately become a Material Subsidiary; the subsequent financial statements of those Subsidiaries and the Carnival Corporation & plc Group will be used to determine whether those Subsidiaries are Material Subsidiaries or not.

If there is a dispute as to whether or not a company is a Material Subsidiary, a certificate of the auditors of the Company or Carnival plc will be, in the absence of manifest error, conclusive.

Moody's means Moody's Investor Services, Inc.

New Lender has the meaning given to that term in Clause 29.1 (*Assignments and transfers by the Lenders*).

Non-Eligible Tranche D Lender means a Tranche A Lender which has notified the Company in writing that it is not permitted (by its constitutional documents or any applicable law) to participate in Tranche D.

Non-Recourse Financing Arrangement means a non-recourse financing arrangement under which (in the case of Borrowed Money) the lender's right of recourse is limited to a specific asset of the relevant member of the Carnival Corporation & plc Group or in the case of an asset or property, the asset or property is collateral for the financing and there is no further recourse by the relevant creditor against the general assets of any member of the Carnival Corporation & plc Group.

Obligor means a Borrower or a Guarantor.

Obligors' Agent means the Company, appointed to act on behalf of each Obligor (other than the Company, Costa Crociere S.p.A. and any other Obligor incorporated in Italy) in relation to the Finance Documents pursuant to Clause 2.4 (*Obligors' Agent*).

OFAC has the meaning given to that term in Clause 24.9 (*United States law*).

Optional Currency means a currency (other than the Base Currency for the relevant Tranche) which complies with the conditions set out in Clause 11.3 (*Conditions relating to Optional Currencies*).

Original Financial Statements means the audited consolidated financial statements of the Carnival Corporation & plc Group for the financial year ended 30 November 2018.

Original Obligor means an Original Borrower or a Guarantor.

Original Termination Date has the meaning given to that term in Clause 10.1 (*Interpretation*).

Overall Tranche A Commitment of a Lender means:

- (a) its Tranche A Commitment; or

- (b) in the case of a Swingline Lender which does not have a Tranche A Commitment, the Tranche A Commitment of a Lender which is its Affiliate.

Overall Tranche B Commitment of a Lender means:

- (a) its Tranche B Commitment; or
- (b) in the case of a Swingline Lender which does not have a Tranche B Commitment, the Tranche B Commitment of a Lender which is its Affiliate.

Overall Tranche C Commitment of a Lender means:

- (a) its Tranche C Commitment; or
- (b) in the case of a Swingline Lender which does not have a Tranche C Commitment, the Tranche C Commitment of a Lender which is its Affiliate.

Overnight LIBOR means, in relation to any day:

- (a) the applicable Screen Rate as of 11:00 a.m. on that day; or
- (b) as otherwise determined in accordance with Clause 9.8 (*Unavailability of Screen Rate – Swingline Loans under Tranche C*).

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.

Party means a party to this Agreement.

Quotation Day means, in relation to any Interest Period for which an interest rate is to be determined:

- (a) (if the currency is Sterling) the first day of that Interest Period;
- (b) (if the currency is euro) two TARGET Days before the first day of that Interest Period; or
- (c) (for any other currency) two Business Days before the first day of that Interest Period,

unless market practice differs in the Relevant Market for a currency, in which case the Quotation Day for that currency will be determined by the Facilities Agent in accordance with market practice in the Relevant Market (and if quotations would normally be given by leading banks in the Relevant Market on more than one day, the Quotation Day will be the last of those days).

Rating Requirements means, at any time, in relation to any Lender or any other bank or financial institution, a long term unsubordinated credit rating of:

- (a) at least Baa1 by Moody's; or
- (b) at least BBB+ by S&P.

Reference Bank Quotation means any quotation supplied to the Facilities Agent by a Reference Bank.

Reference Bank Rate means:

- (a) the arithmetic mean of the rates (rounded upwards to four decimal places) as supplied to the Facilities Agent at its request by the Reference Banks:
- (i) in relation to LIBOR as either:
- (A) if:
- (1) the Reference Bank is a contributor to the applicable Screen Rate; and
- (2) it consists of a single figure,
- the rate (applied to the relevant Reference Bank and the relevant currency and period) which contributors to the applicable Screen Rate are asked to submit to the relevant administrator; or
- (B) in any other case, the rate at which the relevant Reference Bank could fund itself in the relevant currency for the relevant period with reference to the unsecured wholesale funding market; or
- (ii) in relation to EURIBOR:
- (A) (other than where paragraph (B) below applies) as the rate at which the relevant Reference Bank believes one prime bank is quoting to another prime bank for interbank term deposits in euro within the Participating Member States for the relevant period; or
- (B) if different, as the rate (if any and applied to the relevant Reference Bank and the relevant period) which contributors to the applicable Screen Rate are asked to submit to the relevant administrator.

Reference Banks means the principal London offices of any three banks or financial institutions (who have agreed to act in such capacity) as may be appointed by the Facilities Agent in agreement with the Company (acting reasonably).

Related Fund in relation to a fund (the *first fund*), means a fund which is managed or advised by the same investment manager or investment adviser as the first fund or, if it is managed by a different investment manager or investment adviser, a fund whose investment manager or investment adviser is an Affiliate of the investment manager or investment adviser of the first fund.

Relevant Market means in relation to euro, the European interbank market and, in relation to any other currency, the London interbank market.

Relevant Nominating Body means any applicable central bank, regulator or other supervisory authority or a group of them, or any working group or committee sponsored or chaired by, or constituted at the request of, any of them or the Financial Stability Board.

Renewal Request means a Bond Utilisation Request identified as being a **Renewal Request** and otherwise complying with Clause 6.8(b).

Repeating Representations means the representations which are deemed to be repeated under Clause 24.10 (*Times for making representations*).

Replacement Benchmark means a benchmark rate which is:

- (a) formally designated, nominated or recommended as the replacement for a Screen Rate by:
 - (i) the administrator of that Screen Rate (provided that the market or economic reality that such benchmark rate measures is the same as that measured by that Screen Rate); or
 - (ii) any Relevant Nominating Body,

and if replacements have, at the relevant time, been formally designated, nominated or recommended under both paragraphs, the "Replacement Benchmark" will be the replacement under paragraph (ii) above;

- (b) in the opinion of the Majority Lenders and the Company, generally accepted in the international or any relevant domestic syndicated loan markets as the appropriate successor to a Screen Rate; or
- (c) in the opinion of the Majority Lenders and the Company, an appropriate successor to a Screen Rate.

Representative means any delegate, agent, manager, administrator, nominee, attorney, trustee or custodian.

Resignation Letter means a letter substantially in the form set out in Schedule 6 (*Form of Resignation Letter*).

Rollover Loan means one or more Loans under a Facility in respect of the same Tranche:

- (a) made or to be made on the same day that a maturing Loan is due to be repaid;
- (b) the aggregate amount of which is equal to or less than the maturing Loan;
- (c) in the same currency as the maturing Loan (unless it arose as a result of the operation of Clause 11.2 (*Unavailability of a currency*)); and
- (d) made or to be made to the same Borrower for the purpose of refinancing a maturing Loan.

Rules means:

- (a) the Uniform Customs and Practices for Documentary Credits, International Chamber of Commerce, publication No. 600 (or any subsequent revision thereof);
- (b) the International Chamber of Commerce Uniform Rules for Demand Guarantees URDG 758 (or any subsequent revision thereof);
- (c) the International Standby Practices (ISP98) (or any subsequent revision thereof); or
- (d) any other rules or practices in respect of a Bond agreed between the relevant Tranche D Lender and the relevant Bond Borrower.

S&P means Standard & Poor's Rating Services.

Screen Rate means:

- (a) in relation to LIBOR, the London interbank offered rate administered by ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) for the relevant currency and period displayed (before any correction, recalculation or republication by the administrator) on pages LIBOR01 or LIBOR02 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate);
- (b) in relation to EURIBOR, the euro interbank offered rate administered by the European Money Markets Institute (or any other person which takes over the administration of that rate) for the relevant period displayed (before any correction, recalculation or republication by the administrator) on page EURIBOR01 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate); and
- (c) in relation to Overnight LIBOR, the London interbank offered rate administered by ICE Benchmark Administration Limited (or any other person which takes over the administration of that rate) for euro and an overnight period displayed (before any correction, recalculation or republication by the administrator) on page LIBOR01 of the Thomson Reuters screen (or any replacement Thomson Reuters page which displays that rate),

or, in each case, on the appropriate page of such other information service which publishes that rate from time to time in place of Thomson Reuters. If such page or service ceases to be available, the Facilities Agent may specify another page or service displaying the relevant rate after consultation with the Company.

Screen Rate Replacement Event means, in relation to a Screen Rate:

- (a) the methodology, formula or other means of determining that Screen Rate has, in the opinion of the Majority Lenders, and the Company materially changed;
- (b)
 - (i)
 - (A) the administrator of that Screen Rate or its supervisor publicly announces that such administrator is insolvent; or
 - (B) information is published in any order, decree, notice, petition or filing, however described, of or filed with a court, tribunal, exchange, regulatory authority or similar administrative, regulatory or judicial body which reasonably confirms that the administrator of that Screen Rate is insolvent,

provided that, in each case, at that time, there is no successor administrator to continue to provide that Screen Rate;
 - (ii) the administrator of that Screen Rate publicly announces that it has ceased or will cease, to provide that Screen Rate permanently or indefinitely and, at that time, there is no successor administrator to continue to provide that Screen Rate;
 - (iii) the supervisor of the administrator of that Screen Rate publicly announces that such Screen Rate has been or will be permanently or indefinitely discontinued; or
 - (iv) the administrator of that Screen Rate or its supervisor announces that that Screen Rate may no longer be used; or

- (c) the administrator of that Screen Rate determines that that Screen Rate should be calculated in accordance with its reduced submissions or other contingency or fallback policies or arrangements and either:
- (i) the circumstance(s) or event(s) leading to such determination are not (in the opinion of the Majority Lenders and the Obligors) temporary; or
 - (ii) that Screen Rate is calculated in accordance with any such policy or arrangement for a period no less than the period opposite that Screen Rate in Schedule 12 (*Screen Rate contingency periods*); or
- (d) in the opinion of the Majority Lenders and the Obligors, that Screen Rate is otherwise no longer appropriate for the purposes of calculating interest under this Agreement.

SEC means the United States Securities Exchange Commission.

Security Interest means a mortgage, pledge, lien, charge, assignment, hypothecation or security interest or any other agreement or arrangement having a similar effect.

Separate Loan has the meaning given to that term in Clause 12 (*Repayment*).

Signing Date means the date of this Agreement.

Specified Time means, for any purpose, a day or time determined for that purpose in accordance with Schedule 9 (*Timetables*).

Sterling, GBP and £ means the lawful currency of the United Kingdom from time to time.

Subsidiary means a subsidiary within the meaning of section 1159 of the Companies Act 2006 and, for the purposes of Clause 26 (*Financial Covenants*) and in relation to financial statements of the Carnival Corporation & plc Group, a subsidiary undertaking within the meaning of section 1162 of the Companies Act 2006.

Swingline Commitment of a Swingline Lender means that Swingline Lender's:

- (a) Swingline Tranche A Commitment;
- (b) Swingline Tranche B Commitment; and
- (c) Swingline Tranche C Commitment.

Swingline Facilities means the swingline loan facilities made available under this Agreement as described in Clause 9 (*Swingline loans*).

Swingline Lender means:

- (a) an Original Lender listed in Part C of Schedule 1 as a swingline lender; or
- (b) any other person that becomes a swingline lender after the Signing Date in accordance with Clause 29 (*Changes to Lenders*),

which in each case has not ceased to be a Party in accordance with the terms of this Agreement.

Swingline Loan means a loan made or to be made under any Swingline Facility.

Swingline Loan Utilisation Request means a notice substantially in the form set out in Part C of Schedule 3 (*Utilisation Request - Swingline Loans*).

Swingline Tranche A Commitment means:

- (a) in relation to a Swingline Lender under Tranche A on the 2019 Amendment Effective Date, the amount in the Base Currency for Tranche A set opposite its name under the heading Swingline Tranche A Commitment in Part C of Schedule 1 (*The Parties*) of this Agreement and the amount of any other Swingline Tranche A Commitment transferred to it under this Agreement; and
- (b) in relation to any other Swingline Lender under Tranche A, the amount in the Base Currency for Tranche A of any Swingline Tranche A Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*),

to the extent not cancelled, reduced or transferred by it under this Agreement.

Swingline Tranche B Commitment means:

- (a) in relation to a Swingline Lender under Tranche B on the 2019 Amendment Effective Date, the amount in the Base Currency for Tranche B set opposite its name under the heading Swingline Tranche B Commitment in Part C of Schedule 1 (*The Parties*) of this Agreement and the amount of any other Swingline Tranche B Commitment transferred to it under this Agreement; and
- (b) in relation to any other Swingline Lender under Tranche B, the amount in the Base Currency for Tranche B of any Swingline Tranche B Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*),

to the extent not cancelled, reduced or transferred by it under this Agreement.

Swingline Tranche C Commitment means:

- (a) in relation to a Swingline Lender under Tranche C on the 2019 Amendment Effective Date, the amount in the Base Currency for Tranche C set opposite its name under the heading Swingline Tranche C Commitment in Part C of Schedule 1 (*The Parties*) of this Agreement and the amount of any other Swingline Tranche C Commitment transferred to it under this Agreement; and
- (b) in relation to any other Swingline Lender under Tranche C, the amount in the Base Currency for Tranche C of any Swingline Tranche C Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*),

to the extent not cancelled, reduced or transferred by it under this Agreement.

TARGET2 means Trans-European Automated Real-time Gross Settlement Express Transfer payment system which utilises a single shared platform and which was launched on 19 November 2007.

TARGET Day means a day on which TARGET2 is open for the settlement of payments in euro.

Taxes means any and all present and future taxes, levies, imposts, duties, fees or charges of whatever nature or withholding of a similar nature together with interest thereon and penalties in respect thereof and **Tax** means any one of them.

Tax Credit means a credit against any Tax or any relief or remission for Tax (or its repayment).

Tax Deduction means a deduction or withholding for or on account of Tax from a payment under a Finance Document, other than a FATCA Deduction.

Tax Payment means a payment made by an Obligor to a Finance Party in any way relating to a Tax Deduction or under any indemnity given by that Obligor in respect of Tax under any Finance Document.

Term means, in respect of a Bond, the period for which a Tranche D Lender is under a liability under that Bond.

Termination Date means, subject to Clause 10 (*Extension Option*), the date which falls five (5) years after the 2019 Amendment Effective Date.

Test Date - Bonds means each date falling at three month intervals after the Signing Date.

Test Total - Bonds means, at any time, the aggregate in US Dollars of each Bond Utilisation outstanding at that time, where each Bond Utilisation not denominated in US Dollars is converted into US Dollars at the Facilities Agent's Spot Rate of Exchange at that time.

Total Commitments means, at any time, the aggregate of:

- (a) the Total Tranche A Commitments;
- (b) the Total Tranche B Commitments (converted into US Dollars at the Facilities Agent's Spot Rate of Exchange at that time);
- (c) the Total Tranche C Commitments (converted into US Dollars at the Facilities Agent's Spot Rate of Exchange at that time); and
- (d) the Total Tranche D Commitments.

Total Swingline Tranche A Commitments means, at any time, the aggregate of the Swingline Tranche A Commitments of all the Swingline Lenders under Tranche A at that time.

Total Swingline Tranche B Commitments means, at any time, the aggregate of the Swingline Tranche B Commitments of all the Swingline Lenders under Tranche B at that time.

Total Swingline Tranche C Commitments means, at any time, the aggregate of the Swingline Tranche C Commitments of all the Swingline Lenders under Tranche C at that time.

Total Tranche A Commitments means, at any time, the aggregate of the Tranche A Commitments of all the Lenders at that time.

Total Tranche B Commitments means, at any time, the aggregate of the Tranche B Commitments of all the Lenders at that time.

Total Tranche C Commitments means, at any time, the aggregate of the Tranche C Commitments of all the Lenders at that time.

Total Tranche D Commitments means, at any time, the aggregate of the Tranche D Commitments of all the Lenders at that time.

Tranche means:

- (a) Tranche A;

- (b) Tranche B;
- (c) Tranche C; or
- (d) Tranche D.

Tranche A means the facility made available by the Lenders to the Borrowers under Clause 2.1(a)(i).

Tranche B means the facility made available by the Lenders to the Borrowers under Clause 2.1(a)(ii).

Tranche C means the facility made available by the Lenders to the Borrowers under Clause 2.1 (a)(iii).

Tranche D means the facility made available by the Lenders to the Borrowers under Clause 2.1(a)(iv).

Tranche A Commitment means:

- (a) in relation to a Lender on the 2019 Amendment Effective Date, the amount in the Base Currency for Tranche A set opposite its name under the heading Tranche A Commitment in Part B of Schedule 1 (*The Parties*) of this Agreement and the amount of any other Tranche A Commitment transferred to it under this Agreement; and
- (b) in relation to any other Lender, the amount in the Base Currency for Tranche A of any Tranche A Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*),

to the extent not cancelled, reduced or transferred by it under this Agreement.

Tranche A Indemnified Proportion means, in relation to a Lender, the proportion (expressed as a percentage) borne by that Lender's Available Tranche A Commitment to the Available Tranche A Facility, adjusted to reflect any assignment or transfer under this Agreement to or by that Lender.

Tranche B Commitment means:

- (a) in relation to a Lender on the 2019 Amendment Effective Date, the amount in the Base Currency for Tranche B set opposite its name under the heading Tranche B Commitment in Part B of Schedule 1 (*The Parties*) of this Agreement and the amount of any other Tranche B Commitment transferred to it under this Agreement; and
- (b) in relation to any other Lender, the amount in the Base Currency for Tranche B of any Tranche B Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*),

to the extent not cancelled, reduced or transferred by it under this Agreement.

Tranche B Indemnified Proportion means, in relation to a Lender, the proportion (expressed as a percentage) borne by that Lender's Available Tranche B Commitment to the Available Tranche B Facility, adjusted to reflect any assignment or transfer under this Agreement to or by that Lender.

Tranche C Commitment means:

- (a) in relation to a Lender on the 2019 Amendment Effective Date, the amount in the Base Currency for Tranche C set opposite its name under the heading Tranche C Commitment in Part B of Schedule 1 (*The Parties*) of this Agreement and the amount of any other Tranche C Commitment transferred to it under this Agreement; and

- (b) in relation to any other Lender, the amount in the Base Currency for Tranche C of any Tranche C Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*),

to the extent not cancelled, reduced or transferred by it under this Agreement.

Tranche C Indemnified Proportion means, in relation to a Lender, the proportion (expressed as a percentage) borne by that Lender's Available Tranche C Commitment to the Available Tranche C Facility, adjusted to reflect any assignment or transfer under this Agreement to or by that Lender.

Tranche D Commitment means:

- (a) in relation to a Lender on the 2019 Amendment Effective Date, the amount in the Base Currency for Tranche D set opposite its name under the heading Tranche D Commitment in Part B of Schedule 1 (*The Parties*) of this Agreement and the amount of any other Tranche D Commitment transferred to it under this Agreement; and
- (b) in relation to any other Lender, the amount in the Base Currency for Tranche D of any Tranche D Commitment transferred to it under this Agreement or assumed by it in accordance with Clause 2.2 (*Increase*),

to the extent not cancelled, reduced or transferred by it under this Agreement.

Tranche D Lender means a Lender under Tranche D but excluding entities which have ceased to be a Tranche D Lender under Clause 29 (*Changes to the Lenders*).

Transfer Certificate means a certificate substantially in the form set out in Schedule 4 (*Form of Transfer Certificate*) or any other form agreed between the Facilities Agent and the Company.

Transfer Date means, in relation to a transfer, the later of:

- (a) the proposed Transfer Date specified in the Transfer Certificate; and
- (b) the date on which the Facilities Agent executes the Transfer Certificate.

U.K. and **United Kingdom** means the United Kingdom of Great Britain and Northern Ireland.

U.K. Bank Levy means the bank levy imposed pursuant to Part 6 and Schedule 19 of the UK Finance Act 2011.

Unpaid Sum means any sum due and payable but unpaid by an Obligor under the Finance Documents.

US means the United States of America.

USA Patriot Act has the meaning given to that term in Clause 24.9(a)(i) (*United States Law*).

US Borrower means a Borrower whose jurisdiction of organisation is a state of the United States of America or the District of Columbia.

US Dollar, USD and **US\$** means the lawful currency of the United States of America from time to time.

US Tax Obligor means:

- (a) a Borrower which is resident for tax purposes in the United States of America; or

- (b) an Obligor some or all of whose payments under the Finance Documents are from sources within the United States for US federal income tax purposes.

Utilisation means a Loan Utilisation, a Bond Utilisation and a Swingline Loan, as the case may be.

Utilisation Date means the date on which a Utilisation is made.

Utilisation Request means a Loan Utilisation Request, a Bond Utilisation Request or a Swingline Loan Utilisation Request, as the case may be.

VAT means:

- (a) any tax imposed in compliance with the Council Directive of 28 November 2006 on the common system of value added tax (EC Directive 2006/112); and
- (b) any other tax of a similar nature, whether imposed in a member state of the European Union in substitution for, or levied in addition to, such tax referred to in paragraph (a) above, or imposed elsewhere.

1.2 Construction

- (a) The following definitions have the meanings given to them in Clause 26.1 (*Definitions*):
- (i) Borrowed Money;
 - (ii) Capital Lease;
 - (iii) Consolidated Capital;
 - (iv) Excluded Indebtedness;
 - (v) GAAP;
 - (vi) Indebtedness;
 - (vii) Interest;
 - (viii) Issued Capital and Consolidated Reserves;
 - (ix) Measurement Period; and
 - (x) Testing Date.
- (b) In this Agreement, unless the contrary intention appears, a reference to:
- (i) an **amendment** includes a supplement, novation, restatement or re-enactment and amended will be construed accordingly;
 - (ii) **assets** includes present and future properties, revenues and rights of every description;
 - (iii) a n **authorisation** includes an authorisation, consent, approval, resolution, licence, exemption, filing, registration or notarization;

- (iv) **consolidation** in relation to the Carnival Corporation & plc Group means a combination of the relevant financial items of the Carnival Corporation Group and the Carnival plc Group and **consolidated** will be construed accordingly;
 - (v) **disposal** means a sale, transfer, grant, lease or other disposal, whether voluntary or involuntary, and dispose will be construed accordingly;
 - (vi) a **group of Lenders** includes all the Lenders;
 - (vii) **indebtedness** includes any obligation (whether incurred as principal or as surety) for the payment or repayment of money whether present or future, actual or contingent;
 - (viii) a **person** includes any individual, company, corporation, partnership, business trust, joint venture, association, joint stock company, trust or other unincorporated organization whether or not a legal entity, or any governmental or agency or political subdivision thereof;
 - (ix) a **regulation** includes any regulation, rule, official directive, request or guideline (whether or not having the force of law but, if not having the force of law, being of a type with which any Party to which it applies is accustomed to comply) of any governmental, inter-governmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organization with authority to regulate the business of any affected Party;
 - (x) a currency (other than the euro) is a reference to the lawful currency for the time being of the relevant country;
 - (xi) a Default being **outstanding** means that it has not been remedied or waived;
 - (xii) a provision of law is a reference to that provision as extended, applied, amended or re-enacted and includes any subordinate legislation;
 - (xiii) a clause, a subclause or a schedule is a reference to a clause or subclause of, or a schedule to, this Agreement;
 - (xiv) a Party or any other person includes its successors in title, permitted assigns and permitted transferees;
 - (xv) a Finance Document or another document is a reference to that Finance Document or other document as amended including any amendment providing for an increase in the amount of a facility or any additional facility; and
 - (xvi) a time of day is a reference to London time.
- (c) Unless the contrary intention appears, a reference to a **month** or **months** is a reference to a period starting on one day in a calendar month and ending on the numerically corresponding day in the next calendar month or the calendar month in which it is to end, except that:
- (i) if the numerically corresponding day is not a Business Day, the period will end on the next Business Day in that month (if there is one) or the preceding Business Day (if there is not);
 - (ii) if there is no numerically corresponding day in that month, that period will end on the last Business Day in that month; and

- (iii) notwithstanding sub-paragraph (i) above, a period which commences on the last Business Day of a month will end on the last Business Day in the next month or the calendar month in which it is to end, as appropriate.
- (d) Unless expressly provided to the contrary in a Finance Document, a person who is not a party to a Finance Document may not enforce any of its terms under the Contracts (Rights of Third Parties) Act 1999 (the *Third Parties Act*) and, subject to Clause 41.3 (*Other exceptions*) but otherwise notwithstanding any term of any Finance Document, no consent of any third party is required for any variation (including any release or compromise of any liability) or termination of that Finance Document.
- (e) Unless the contrary intention appears:
 - (i) a reference to a party will not include that Party if it has ceased to be a Party under this Agreement;
 - (ii) a word or expression used in any other Finance Document or in any notice given in connection with any Finance Document has the same meaning in that Finance Document or notice as in this Agreement; and
 - (iii) any obligation of an Obligor under the Finance Documents which is not a payment obligation remains in force for so long as any payment obligation of an Obligor is or may be outstanding under the Finance Documents.
- (f) The headings in this Agreement do not affect its interpretation.
- (g) Any reference in this Agreement to:
 - (i) the Interest Period of a Bond will be construed, notwithstanding Clause 15.1(b), as a reference to the Term of that Bond;
 - (ii) a Utilisation made or to be made to a Bond Borrower includes a Bond issued on its behalf;
 - (iii) an outstanding amount of a Bond at any time is the maximum amount that is or may be payable by the Bond Borrower in respect of that Bond at that time;
 - (iv) amounts outstanding under this Agreement includes amounts outstanding under or in respect of a Bond;
 - (v) a Borrower *repaying* or *prepaying* a Bond means:
 - (A) that Borrower providing cash cover for that Bond;
 - (B) the maximum amount payable under that Bond being reduced in accordance with its terms; or
 - (C) the relevant Tranche D Lender being satisfied that it has no further liability under that Bond,

and the amount by which a Bond is repaid or prepaid under paragraphs (g)(v)(A) and (g)(v)(B) above is the amount of the relevant cash cover or reduction; and

- (vi) a Bond Borrower providing **cash cover** for a Bond means a Bond Borrower (or another Obligor on its behalf) paying an amount in the currency of the Bond or, in relation to cash cover provided under Clause 6.9(b)(ii), US Dollars, into an interest-bearing account in the name of the Bond Borrower and the following conditions being met:
 - (A) the account is with the relevant Tranche D Lender which issued that Bond;
 - (B) withdrawals from the account may only be made to pay a Finance Party amounts due and payable to it under this Agreement in respect of that Bond until no amount is or may be outstanding under that Bond; and
 - (C) the Bond Borrower (or relevant Obligor) has executed a security document over that account, in form and substance satisfactory to the Tranche D Lender with which that account is held, creating a first ranking security interest over that account.
- (h) Any reference in this Agreement to:
 - (i) an **Affiliate** in relation to National Westminster Bank plc, shall not include (i) the UK government or any member or instrumentality thereof, including Her Majesty's Treasury and UK Financial Investments Limited (or any directors, officers, employees or entities thereof); or (ii) any persons or entities controlled by or under common control with the U.K. government or any member or instrumentality thereof (including Her Majesty's Treasury and UK Financial Investments Limited) and which are not part of The Royal Bank of Scotland Group plc and its subsidiaries or subsidiary undertakings;
 - (ii) an **Interest Period** includes each period determined under this Agreement by reference to which interest on a Swingline Loan is calculated; and
 - (iii) a **Lender** includes a Swingline Lender unless the context otherwise requires.
- (i) In this Agreement, where it relates to a Borrower incorporated in The Netherlands, a reference to:
 - (i) a n **administration, winding up or dissolution** includes a Dutch entity being declared bankrupt (*failliet verklaard*) or dissolved (*ontbonden*);
 - (ii) a **moratorium** means *surséance van betaling* and **granted a moratorium** means *surséance verleend*;
 - (iii) a **trustee** includes a *curator*;
 - (iv) an **administrator or receiver** means a *bewindvoerder* or *curator*;
 - (v) an **attachment** means a *beslag*;
 - (vi) **necessary corporate action to authorise**, where applicable, includes without limitation, to the extent a works council (*ondernemingsraden*) is established and to the extent that any rights to consult (*in de gelegenheid stellen tot advies uitbrengen*) the works council or for the works council to approve (*instemming met*) are triggered under the Dutch Works Council Act, any action required to comply with the Dutch Works Council Act; and
 - (vii) a **security interest** includes a mortgage (*hypotheek*), pledge (*pandrecht*), retention of title arrangement (*eigendomsvoorbehoud*), privilege (*voorrecht*), right of retention

(*recht van retentie*), right to reclaim goods (*recht van reclame*) and in general any right *in rem* (*beperkt recht*) created for the purposes of granting security (*goederenrechtelijk zekerheidsrecht*).

2. THE FACILITIES

2.1 The Facilities

- (a) Subject to the terms of this Agreement, the Lenders make available to the Borrowers multicurrency revolving facilities in four (4) tranches being:
- (i) a US Dollar facility in an aggregate amount equal to the Total Tranche A Commitments;
 - (ii) a Sterling facility in an aggregate amount equal to the Total Tranche B Commitments;
 - (iii) a euro facility in an aggregate amount equal to the Total Tranche C Commitments; and
 - (iv) a US Dollar facility in an aggregate amount equal to the Total Tranche D Commitments.
- (b) Each Lender under Tranche C which lends to Borrowers incorporated in Italy must be a Qualifying Lender (as defined in Clause 18.10) unless such Lender has ceased to be a Qualifying Lender by reason of any change after the date it became a Lender under this Agreement in (or in the interpretation, administration, or application of) any law or double taxation agreement or any published practice or concession of any relevant taxing authority.
- (c) If a Borrower is incorporated in Italy, that Borrower may only request a Loan under Tranche C.

2.2 Increase

- (a) The Company may by giving prior notice to the Facilities Agent after the effective date of a cancellation of:
- (i) the Available Commitment and/or the Available Swingline Commitment of a Defaulting Lender (or its Affiliate) in accordance with Clause 13.6(g) (*Involuntary prepayment and cancellation and replacement of Lender*); or
 - (ii) the Commitments of a Lender (or its Affiliate) in accordance with Clause 13.1 (*Mandatory prepayment - illegality*),
request that the Total Commitments or the relevant Swingline Commitments be increased (and the Total Commitments under that Facility or the relevant Swingline Commitments shall be so increased) in an aggregate amount in the Base Currency of up to the amount of the Available Commitments or Available Swingline Commitment so cancelled as follows:
 - (iii) the increased Commitments and/or relevant Swingline Commitments will be assumed by one or more Lenders or other banks or financial institutions (each an **Increase Lender**) selected by the Company (each of which shall not be a member of the Carnival Corporation & plc Group) and each of which confirms its willingness to assume and does assume all the obligations of a Defaulting Lender corresponding to that part of the increased Commitments and/or relevant Swingline Commitments which it is to assume, as if it had been an Original Lender;

- (iv) each of the Obligors and any Increase Lender shall assume obligations towards one another and/or acquire rights against one another as the Obligors and the Increase Lender would have assumed and/or acquired had the Increase Lender been an Original Lender;
 - (v) each Increase Lender shall become a Party as a “Lender” and (where appropriate) “Swingline Lender” and any Increase Lender and each of the other Finance Parties shall assume obligations towards one another and acquire rights against one another as that Increase Lender and those Finance Parties would have assumed and/or acquired had the Increase Lender been an Original Lender;
 - (vi) the Commitments and Swingline Commitments of the other Lenders shall continue in full force and effect; and
 - (vii) any increase in the Total Commitments and/or the relevant Swingline Commitments shall take effect on the date specified by the Company in the notice referred to above or any later date on which the conditions set out in paragraph (b) below are satisfied.
- (b) An increase in the Total Commitments and/or the relevant Swingline Commitments will only be effective on:
- (i) the execution by the Facilities Agent of an Increase Confirmation from the relevant Increase Lender; and
 - (ii) in relation to an Increase Lender which is not a Lender immediately prior to the relevant increase the performance by the Facilities Agent of all necessary “know your customer” or other similar checks under all applicable laws and regulations in relation to the assumption of the increased Commitments and/or the relevant Swingline Commitments by that Increase Lender, the completion of which the Facilities Agent shall promptly notify to the Company and the Increase Lender.
- (c) No Swingline Commitment of a Lender may exceed the Commitment of that Lender or its Affiliate pursuant to the operation of this Clause 2.2. Accordingly where the Swingline Commitments are to be increased pursuant to this Clause to replace Swingline Commitments of a Swingline Lender that have been cancelled pursuant to Clause 13.6(g) (*Involuntary prepayment and cancellation and replacement of Lender*) or Clause 13.1 (*Mandatory prepayment - illegality*) without a commensurate cancellation of the Commitments of that Swingline Lender’s Affiliate being required at the time of such cancellation, that Affiliate shall (to the extent of its Commitments at the time of the increase in Swingline Commitments) be required to transfer its Commitments to the relevant Increase Lender (or its Affiliate) on the terms provided for in Clause 41.6 (*Replacement of a Defaulting Lender*) to the extent necessary to ensure that the Commitments of the Increase Lender (or its Affiliate) are at least equal to each of the Swingline Commitments assumed by that Increase Lender.
- (d) Each Increase Lender, by executing the Increase Confirmation, confirms (for the avoidance of doubt) that the Facilities Agent has authority to execute on its behalf any amendment or waiver that has been approved by or on behalf of the requisite Lender or Lenders in accordance with this Agreement on or prior to the date on which the increase becomes effective.
- (e) Unless the Facilities Agent otherwise agrees or the increased Commitment and/or Swingline Commitment is assumed by an existing Lender, the Company shall, on the date upon which the increase takes effect, pay to the Facilities Agent (for its own account) a fee of USD3,500 and promptly on demand pay to the Facilities Agent the amount of all reasonable costs and expenses

(including legal fees) reasonably incurred by it in connection with any increase in Commitments under this Clause 2.2.

- (f) The Company may pay to the Increase Lender a fee in the amount and at the times agreed between the Company and the Increase Lender in a letter between the Company and the Increase Lender setting out that fee. A reference in this Agreement to a Fee Letter shall include any letter referred to in this paragraph.
- (g) Clause 29.3 (*Limitation of responsibility of Existing Lenders*) shall apply *mutatis mutandis* in this Clause 2.2 in relation to an Increase Lender as if references in that Clause to:
 - (i) an **Existing Lender** were references to all the Lenders immediately prior to the relevant increase;
 - (ii) the **New Lender** were references to that **Increase Lender**; and
 - (iii) a **re-transfer** and **re-assignment** were references to respectively a **transfer** and **assignment**.

2.3 Finance Parties' rights and obligations

- (a) The obligations of each Finance Party under the Finance Documents are several. Failure by a Finance Party to perform its obligations under the Finance Documents does not affect the obligations of any other Party under the Finance Documents. No Finance Party is responsible for the obligations of any other Finance Party under the Finance Documents.
- (b) The rights of each Finance Party under or in connection with the Finance Documents are separate and independent rights and any debt arising under the Finance Documents to a Finance Party from an Obligor is a separate and independent debt in respect of which a Finance Party shall be entitled to enforce its rights in accordance with paragraph (c) below. The rights of each Finance party include any debt owing to that Finance Party under the Finance Documents and, for the avoidance of doubt, any part of a Loan or any other amount owed by an Obligor which relates to a Finance Party's participation in the Facilities or its role under a Finance Document (including any such amount payable to the Facilities Agent on its behalf) is a debt owing to that Finance Party by that Obligor.
- (c) A Finance Party may, except as specifically provided in the Finance Documents, separately enforce its rights under or in connection with the Finance Documents.

2.4 Obligors' Agent

- (a) Each Obligor (other than the Company, Costa Crociere S.p.A. and any other Obligor incorporated in Italy) by its execution of this Agreement or an Accession Letter irrevocably appoints the Company to act on its behalf as its agent in relation to the Finance Documents and irrevocably authorises:
 - (i) the Company on its behalf to supply all information concerning itself contemplated by this Agreement to the Finance Parties and to give all notices and instructions (including, in the case of a Borrower, Utilisation Requests), to execute on its behalf any Accession Letter, to make such agreements and to effect the relevant amendments, supplements and variations capable of being given, made or effected by any Obligor notwithstanding that they may affect the Obligor, without further reference to or the consent of that Obligor; and

- (ii) each Finance Party to give any notice, demand or other communication to that Obligor pursuant to the Finance Documents to the Company,

and in each case the Obligor shall be bound as though the Obligor itself had given the notices and instructions (including without limitation, any Utilisation Requests) or executed or made the agreements or effected the amendments, supplements or variations, or received the relevant notice, demand or other communication.

- (b) Every act, omission, agreement, undertaking, settlement, waiver, amendment, supplement, variation, notice or other communication given or made by the Obligors' Agent or given to the Obligors' Agent under any Finance Document on behalf of another Obligor or in connection with any Finance Document (whether or not known to any other Obligor and whether occurring before or after such Obligor became an Obligor under any Finance Document) shall be binding for all purposes on that Obligor as if that Obligor had expressly made, given or concurred with it. In the event of any conflict between any notices or other communications of the Obligors' Agent and any other Obligor, those of the Obligors' Agent shall prevail.

3. PURPOSE

3.1 Purpose

Each Borrower shall apply all amounts utilised by it under the Facilities:

- (a) by way of Loan Utilisations or Swingline Loans towards general liquidity and/or working capital purposes of the Carnival Corporation & plc Group including but not limited to (in the case of Swingline Loans) support for any CP Programme; and
- (b) by way of Bond Utilisations, for the purposes of securing the commercial obligations specified in the Bond.

3.2 Monitoring

No Finance Party is bound to monitor or verify the utilisation of the Facilities pursuant to this Agreement.

4. CONDITIONS OF UTILISATION

4.1 Initial conditions precedent

- (a) No Borrower may deliver a Utilisation Request unless the Facilities Agent has received all of the documents and other evidence listed in Part A of Schedule 2 (*Conditions precedent*) in form and substance satisfactory to the Facilities Agent. The Facilities Agent shall notify the Company and the Lenders promptly upon being so satisfied.
- (b) Other than to the extent that the Majority Lenders notify the Facilities Agent in writing to the contrary before the Facilities Agent gives the notification described in paragraph (a) above, the Lenders authorise (but do not require) the Facilities Agent to give that notification. The Facilities Agent shall not be liable for any damages, costs or losses whatsoever as a result of giving any such notification.

5. UTILISATION - LOAN

5.1 Delivery of a Loan Utilisation Request

- (a) A Borrower may utilise the Facilities for Loan Utilisations by delivery to the Facilities Agent of a duly completed Loan Utilisation Request.
- (b) Unless the Facilities Agent otherwise agrees, the latest time for receipt by the Facilities Agent of a duly completed Loan Utilisation Request is the Specified Time one (1) Business Day before the Quotation Day for the proposed Loan Utilisation.

5.2 Completion of a Loan Utilisation Request

- (a) Each Loan Utilisation Request is irrevocable and will not be regarded as having been duly completed unless:
 - (i) it identifies the Tranche to be utilised;
 - (ii) the proposed Utilisation Date is a Business Day falling within the Availability Period;
 - (iii) the currency and amount of the Loan Utilisation comply with Clause 5.3 (*Currency and amount*); and
 - (iv) the proposed Interest Period complies with Clause 15 (*Interest Periods*).
- (b) Only one Loan Utilisation may be requested in each Loan Utilisation Request.
- (c) Subject to paragraph (d) below, a Borrower may not deliver a Loan Utilisation Request for a Loan Utilisation if as a result of the proposed Loan Utilisation more than twelve (12) Loan Utilisations would be outstanding.
- (d) For the purposes of paragraph (c) above, the following shall not be taken into account:
 - (i) a Loan Utilisation made pursuant to Clause 7.1(b) to repay a Bond Utilisation or any amount outstanding under a Bond;
 - (ii) a Loan Utilisation made pursuant to Clause 9.3(b) to repay a Swingline Loan that has become due and payable;
 - (iii) any Utilisation made by a single Lender under Clause 11.2 (*Unavailability of a currency*); and
 - (iv) any Separate Loan.

5.3 Currency and amount

- (a) The currency specified in a Loan Utilisation Request given under Clause 5.1 must be the Base Currency for the Tranche requested or an Optional Currency.
- (b) The amount of the proposed Loan Utilisation must be:
 - (i) if the currency selected is the Base Currency:
 - (A) in respect of Tranche A, a minimum of US\$2,000,000 or, if less, the Available Tranche A Facility;

- (B) in respect of Tranche B, a minimum of £1,000,000 or, if less, the Available Tranche B Facility;
 - (C) in respect of Tranche C, a minimum of €1,500,000 or, if less, the Available Tranche C Facility; or
 - (D) in respect of Tranche D, a minimum of US\$2,000,000 or, if less, the Available Tranche D Facility.
- (ii) if the currency selected is an Optional Currency and does not require the approval of the Facilities Agent under Clause 11.3(a)(i):
- (A) in respect of Tranche A, a minimum of US\$2,000,000 or, if less, the Available Tranche A Facility (where the amount of the proposed Loan Utilisation is converted into US Dollars at the Facilities Agent's Spot Rate of Exchange on the date of the Loan Utilisation Request);
 - (B) in respect of Tranche B, a minimum of £1,000,000 or, if less, the Available Tranche B Facility (where the amount of the proposed Loan Utilisation is converted into Sterling at the Facilities Agent's Spot Rate of Exchange on the date of the Loan Utilisation Request);
 - (C) in respect of Tranche C, a minimum of €1,500,000 or, if less, the Available Tranche C Facility (where the amount of the proposed Loan Utilisation is converted into euro at the Facilities Agent's Spot Rate of Exchange on the date of the Loan Utilisation Request); or
 - (D) in respect of Tranche D, a minimum of US\$2,000,000 or, if less, the Available Tranche D Facility (where the amount of the proposed Loan Utilisation is converted into US Dollars at the Facilities Agent's Spot Rate of Exchange on the date of the Loan Utilisation Request); and
- (iii) if the currency selected is an Optional Currency and it has been approved by the Facilities Agent under Clause 11.3(a)(i), the minimum amount (and, if required, integral multiple) specified by the Facilities Agent pursuant to Clause 11.3(b) (*Conditions relating to Optional Currencies*).

5.4 Lenders' participation

- (a) Subject to paragraph (b) below, the Lenders will only be obliged to comply with this Clause 5.4 (*Lenders' participation*) if on the proposed Utilisation Date:
- (i) in the case of a Rollover Loan, no Event of Default is outstanding or would result from the proposed Rollover Loan and, in the case of any other Loan Utilisation, no Default is outstanding or would result from the proposed Loan Utilisation; and
 - (ii) the Repeating Representations to be made by each Obligor are correct in all material respects.
- (b) The Lenders shall be obliged to comply with this Clause 5.4 in relation to any Loan Utilisation made pursuant to Clause 7.1(b) or Clause 9.3(b) provided that paragraph (a) shall not apply to any such Loan Utilisation, and the conditions referred to in paragraphs (f) and (g) below shall be deemed satisfied in relation to any such Loan Utilisation.

- (c) The Facilities Agent must promptly notify each Lender of the details of the requested Loan Utilisation (including the amount, currency and Base Currency Amount) and the amount of each Lender's share in that Loan Utilisation, in each case by the Specified Time.
- (d) The amount of each Lender's share in:
 - (i) each Loan Utilisation under Tranche A will be equal to the proportion which its Available Tranche A Commitment bears to the Available Tranche A Facility immediately prior to making the Loan Utilisation;
 - (ii) each Loan Utilisation under Tranche B will be equal to the proportion which its Available Tranche B Commitment bears to the Available Tranche B Facility immediately prior to making the Loan Utilisation;
 - (iii) each Loan Utilisation under Tranche C will be equal to the proportion which its Available Tranche C Commitment bears to the Available Tranche C Facility immediately prior to making the Loan Utilisation; and
 - (iv) each Loan Utilisation under Tranche D will be equal to the proportion which its Available Tranche D Commitment bears to the Available Tranche D Facility immediately prior to making the Loan Utilisation.
- (e) Each Original Lender represents (and each other Lender will represent, upon becoming party as a Lender in accordance with Clause 29 (*Changes to the Lenders*)) that it is a "professional market party" (*professionele marktpartij*), as that term is used in the Netherlands Financial Supervision Act (*wet op het financieel toezicht*).
- (f) If the conditions set out in this Agreement have been satisfied or waived and subject to Clause 12(g) (*Repayment*), each Lender must make its share in each Loan Utilisation available to the Facilities Agent for the relevant Borrower through its Facility Office on the proposed Utilisation Date.
- (g) If, on the proposed Utilisation Date, the Facilities Agent is satisfied that all conditions precedent have been satisfied or waived it shall pay the proceeds of each Loan Utilisation received pursuant to paragraph (f) above in accordance with the payment directions set out in the relevant Loan Utilisation Request (or, if relevant, in accordance with Clause 7.1(b) or Clause 9.3(b)).

6. UTILISATION - BONDS

6.1 General

In determining the amount of the Available Bond Facility for the purposes of this Agreement, the Lender's Available Tranche D Commitment will be calculated ignoring any cash cover provided for outstanding Bonds.

6.2 Tranche D

- (a) A Bond Utilisation may only be made under Tranche D.
- (b) A Borrower (or the Company or Carnival plc on behalf of any Borrower not incorporated in Italy) may specify (i) that either one Tranche D Lender shall provide a Bond or more than one Tranche D Lender shall provide Bonds to the same beneficiary, and (ii) the amount of the Bond to be issued by each such Tranche D Lender in accordance with Clause 6.5(b) (subject to Clause (ii)), and such Tranche D Lender(s) shall issue a Bond in the amount requested by that Borrower. The Borrower shall deliver a Bond Utilisation Request to each such Tranche D Lender in accordance with Clause 6.3 (*Delivery of a Bond Utilisation Request*).

6.3 Delivery of a Bond Utilisation Request

A Bond Borrower may request a Bond to be issued by delivery to the relevant Tranche D Lender (with a copy to the Facilities Agent) of a duly completed Bond Utilisation Request not later than the Specified Time (unless a shorter period is agreed by the relevant Tranche D Lender).

6.4 Completion of a Bond Utilisation Request

Each Bond Utilisation Request is irrevocable and will not be regarded as having been duly completed unless:

- (a) it specifies the Account Party and the relevant Tranche D Lender is not prevented by reason of legal or regulatory restrictions imposed upon it from issuing a Bond to the request of such Account Party;
- (b) it specifies the Tranche D Lender;
- (c) it specifies the amount of the Bond the Tranche D Lender is to issue;
- (d) it specifies the identity of the beneficiary of the Bond and the relevant Tranche D Lender is not prevented by reason of legal or regulatory restrictions imposed upon it from issuing a Bond in favour of that beneficiary;
- (e) the proposed Utilisation Date is a Business Day within the Availability Period;
- (f) the currency and amount of the Bond comply with Clause 6.5 (*Currency and amount*);
- (g) the form of each Bond is attached and it complies with Clause 6.6 (*Form and Type of Bond*);
- (h) the Expiry Date of the Bond falls on or before the Termination Date; and
- (i) the delivery instructions for the Bond are specified.

6.5 Currency and amount

- (a) The currency specified in a Bond Utilisation Request given under Clause 6.1 must be the Base Currency for Tranche D or an Optional Currency.
- (b) The amount of the proposed Bond must be:
 - (i) an amount whose Base Currency Amount for Tranche D is not more than the lesser of the Available Tranche D Facility and the Available Bond Facility; and
 - (ii) not more than the relevant Tranche D Lender's Available Tranche D Commitment.

6.6 Form and Type of Bond

The form and type of instrument of the proposed Bond must be in the form and of such a type of instrument as requested by a Bond Borrower (to the extent required by the relevant beneficiary) and approved by the relevant Tranche D Lender (such approval not to be unreasonably withheld, delayed or conditioned) prior to the date of the Bond Utilisation Request in respect of that Bond.

6.7 Issue of Bonds

- (a) If the conditions set out in Clause 6.4 have been met, the relevant Tranche D Lender shall issue the Bond on the proposed Utilisation Date.

- (b) The relevant Tranche D Lender will only be obliged to comply with paragraph (a) above if on the date of the Bond Utilisation Request or, as the case may be, Renewal Request and on the proposed Utilisation Date:
 - (i) in the case of a Bond renewed in accordance with Clause 6.8 (*Renewal of a Bond*), no Event of Default is outstanding or would result from the proposed Bond Utilisation and, in the case of any other Bond Utilisation, no Default is outstanding or would result from the proposed Bond Utilisation; and
 - (ii) the Repeating Representations to be made by each Obligor are true in all material respects.
- (c) The Facilities Agent shall determine the Base Currency Amount of each Bond which is to be issued in an Optional Currency and shall notify the relevant Tranche D Lender of the details of the requested Bond and (where more than one Tranche D Lender is to provide the Bond) its participation in that Bond by the Specified Time.

6.8 Renewal of a Bond

- (a) A Bond Borrower may request any Bond issued on its behalf be renewed by delivery to the Tranche D Lender (with a copy to the Facilities Agent) of a Renewal Request by the Specified Time.
- (b) The Finance Parties shall treat any Renewal Request in the same way as a Bond Utilisation Request except that the condition set out in Clauses 6.4(a), 6.4(b) and 6.4(g) (*Completion of a Bond Utilisation Request*) shall not apply.
- (c) The terms of each renewed Bond shall be the same as those of the relevant Bond immediately prior to its renewal, except that:
 - (i) its amount may be less than the amount of the Bond immediately prior to its renewal; and
 - (ii) its Term shall start on the date which was the Expiry Date of the Bond immediately prior to its renewal, and shall end on the proposed Expiry Date specified in the Renewal Request which shall fall on or before the Termination Date.
- (d) If the conditions set out in this Clause 6.8 have been met, the relevant Tranche D Lender shall amend and re-issue any Bond pursuant to a Renewal Request.

6.9 Revaluation of Bonds

- (a) If any outstanding Bond is denominated in an Optional Currency, the Facilities Agent shall on each Test Date - Bonds recalculate the Base Currency Amount for Tranche D of that Bond by notionally converting into US Dollars the outstanding amount of that Bond on the basis of the Facilities Agent's Spot Rate of Exchange on the date of calculation. The Facilities Agent shall notify the relevant Tranche D Lender and the Company of such Base Currency Amount.
- (b) If on any Test Date – Bonds (i) the Test Total – Bonds of any Tranche D Lender exceeds (ii) that Tranche D Lender's Tranche D Commitment, each of the Bond Borrowers will, if requested by that Tranche D Lender within three Business Days of the Test Date – Bonds, ensure that within three Business Days of receipt of such request either (at the discretion of the Bond Borrowers):

- (i) sufficient Bonds are cancelled so that the Test Total – Bonds of that Tranche D Lender does not exceed its Tranche D Commitment; and/or
 - (ii) that Tranche D Lender receives cash cover in US Dollars which when aggregated with all other amounts then held by it (or any of its Affiliates) as cash cover under this Agreement, will result in that Tranche D Lender (or any of its Affiliates) holding cash cover in an amount not less than the amount by which the Test Total – Bonds of that Tranche D Lender exceeds its Tranche D Commitment.
- (c) If on any Test Date - Bonds (i) any Tranche D Lender's Tranche D Commitment exceed (ii) the Test Total – Bonds of that Tranche D Lender, that Tranche D Lender shall to the extent that it (or any of its Affiliates) holds cash cover as a result of the operation of paragraph (b)(ii) repay to the Bond Borrowers (or other relevant Obligor) an amount equal to the lesser of the amount of such excess and the amount of such cash cover held by it (or any of its Affiliates).
- (d) All cash cover held by any Tranche D Lender under this Clause 6.9 shall be repaid to the Bond Borrowers (or other relevant Obligor) on the Expiry Date of any Bond if upon that expiry no amount is outstanding under such Bond or any other Bond.

7. BONDS

7.1 Immediately payable

- (a) If a claim is made under a Bond, the Bond Borrower which requested that Bond shall pay to the Facilities Agent for the account of the relevant Tranche D Lender(s) the amount of that claim promptly and in any event within three Business Days of demand.
- (b) If the relevant Bond Borrower does not repay such amount in full within three Business Days of demand by the relevant Tranche D Lender(s):
- (i) subject to Subclause (iv) below, the Bond Borrower will on the immediately following Business Day be deemed to have delivered a Loan Utilisation Request under Tranche D for a Loan Utilisation in an amount equal to, and in the same currency as, the amount demanded under paragraph (a) above with an Interest Period of two weeks and a Utilisation Date of the Business Day following the deemed date of the Loan Utilisation Request;
 - (ii) the amount of each Lender's share in the Loan Utilisation shall be determined in accordance with Clause 5.4;
 - (iii) the Facilities Agent will pay to the relevant Tranche D Lender(s) which issued the Bond the amount deemed requested by the Bond Borrower under paragraph (i) above in full satisfaction of the Bond Borrower's obligations under paragraph (a) above and a pro tanto discharge of the Bond Borrower's obligations under Clause 7.1(a); and
 - (iv) in any case where the Bond Borrower is not permitted under this Agreement to utilise Tranche D by way of Loan, the Loan Utilisation shall be deemed requested under Tranche C (or another Tranche under which it is permitted to utilise Loans), provided that if the amount of the Utilisation would exceed the Available Tranche C Facility (or other relevant Available Commitment) then the amount of such excess shall constitute a Loan Utilisation by Carnival plc under Tranche D (and then Tranche A, then Tranche B to the extent that Loan Utilisation under Tranche D exceeds the Available Tranche D Facility) in each case with an Interest Period of two weeks.

- (c) For the avoidance of doubt, in any case where it is not possible for a Loan Utilisation to be deemed to have been made pursuant to paragraph (b) above, the failure by the relevant Bond Borrower to repay the amount demanded under paragraph (a) above within three Business Days of demand shall constitute a failure to pay for the purposes of Clause 28.1 (*Non-payment*) of this Agreement.

7.2 Claims under a Bond

- (a) The Bond Borrower irrevocably and unconditionally authorises the relevant Tranche D Lender to pay any claim made or purported to be made under a Bond requested by it or on its behalf and which appears on its face to be in order (a *claim*).
- (b) The relevant Tranche D Lender shall examine the claim made under any Bond in accordance with the criteria set out in the Rules by which that Bond is stated to be governed and accordingly the responsibility of the relevant Tranche D Lender shall be limited to ascertaining that the documents constituting the claim appear on their face to be in accordance with the relevant Bond, properly completed and in compliance with the requirements of this Agreement and, subject to the terms of the Bond, the relevant Rules.
- (c) Each Bond Borrower acknowledges that the relevant Tranche D Lender:
 - (i) is not obliged to carry out any investigation or seek any confirmation from any other person before paying a claim other than set out in paragraph (b); and
 - (ii) deals in documents only and will not be concerned with the legality of a claim or any underlying transaction or any available set-off, counterclaim or other defence of any person.
- (d) Without prejudice to the limits on the liability of the Borrower under Clause 7.3(a) or against any Tranche D Lender at law, the obligations of a Bond Borrower under this Clause 7 will not be affected by:
 - (i) the sufficiency, accuracy or genuineness of any claim or any other document; or
 - (ii) any incapacity of, or limitation on the powers of, any person signing a claim or other document.

7.3 Indemnities

- (a) Each Bond Borrower shall immediately on demand indemnify the relevant Tranche D Lender against any cost, loss or liability incurred by that Lender (otherwise than by reason of that Tranche D Lender's breach of this Agreement, gross negligence or wilful misconduct) as a direct consequence of, or in the performance of its obligations or the exercise of its rights under, any Bond requested by that Bond Borrower or on its behalf.
- (b) The obligations of each Borrower under this Clause are continuing obligations and will extend to the ultimate balance of sums payable by that Borrower in respect of any Bond, regardless of any intermediate payment or discharge in whole or in part.
- (c) The obligations of any Borrower under this Clause will not be affected by any act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under this Clause (without limitation and whether or not known to it or any other person) including:

- (i) any time, waiver or consent granted to, or composition with, any Obligor, any beneficiary under a Bond or other person;
- (ii) the release of any other Obligor or any other person under the terms of any composition or arrangement;
- (iii) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor, any beneficiary under a Bond or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (iv) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor, any beneficiary under a Bond or any other person;
- (v) any amendment (however fundamental) or replacement of a Finance Document, any Bond or any other document or security;
- (vi) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document, any Bond or any other document or security; or
- (vii) any insolvency or similar proceedings.

7.4 Rights of contribution

No Obligor will be entitled to any right of contribution or indemnity from any Finance Party in respect of any payment it may make under this Clause 7.

8. UTILISATION - SWINGLINE LOAN

8.1 General

- (a) The following provisions do not apply to Swingline Loans:
 - (i) Clause 5 (*Utilisation*);
 - (ii) Clause 11 (*Optional currencies*);
 - (iii) Clause 14 (*Interest*) as it applies to the calculation of interest on a Loan Utilisation (other than in respect of any Separate Loan) but not default interest on an overdue amount;
 - (iv) Clause 15 (*Interest Periods*); and
 - (v) in respect of Swingline Loans under Tranche A, Clause 16 (*Changes to the calculation of interest*).

8.2 Delivery of a Swingline Loan Utilisation Request

- (a) A Borrower may utilise the Swingline Facilities by delivery to the Facilities Agent of a duly completed Swingline Loan Utilisation Request not later than the Specified Time (unless a shorter period is agreed by the Facilities Agent).
- (b) Each Swingline Loan Utilisation Request must be sent to the Facilities Agent to:

- (i) the address in Dallas, Texas notified by the Facilities Agent for this purpose (in the case of Tranche A);
- (ii) the address in London notified by the Facilities Agent for this purpose (in the case of Tranche B); or
- (iii) the address in London notified by the Facilities Agent for this purpose (in the case of Tranche C),

in each case with a copy to its address referred to in Clause 37 (*Notices*).

8.3 Completion of a Swingline Loan Utilisation Request

- (a) Each Swingline Loan Utilisation Request is irrevocable and will not be regarded as having been duly completed unless:
 - (i) it identifies the Borrower;
 - (ii) it specifies that it is for a Swingline Loan;
 - (iii) the proposed Utilisation Date is a Business Day within the Availability Period;
 - (iv) it identifies the relevant Tranche;
 - (v) the currency and amount of the Swingline Loan comply with Clause 8.4 (*Currency and amount*); and
 - (vi) the proposed Interest Period:
 - (A) does not overrun the Termination Date;
 - (B) is a period of not more than five Business Days; and
 - (C) ends on a Business Day.
- (b) Only one Swingline Loan may be requested in each Swingline Loan Utilisation Request.

8.4 Currency and amount

- (a) The currency specified in a Swingline Loan Utilisation Request given under Clause 8.3 must be the Base Currency for the Tranche requested.
- (b) The amount of the proposed Swingline Loan must be in respect of:
 - (i) Tranche A, a minimum of US\$10,000,000 or, if less, the Available Swingline Tranche A Facility and not more than the lesser of the Available Swingline Tranche A Facility and the Available Tranche A Facility;
 - (ii) Tranche B, a minimum of £10,000,000 or, if less, the Available Swingline Tranche B Facility and not more than the lesser of the Available Swingline Tranche B Facility and the Available Tranche B Facility; or
 - (iii) Tranche C, a minimum of €10,000,000 or, if less, the Available Swingline Tranche C Facility and not more than the lesser of the Available Swingline Tranche C Facility and the Available Tranche C Facility.

8.5 Swingline Lenders' participation

- (a) If the conditions set out in this Agreement have been met, each Swingline Lender shall make its participation in each Swingline Loan available through its Facility Office in the United States, in the case of Tranche A (unless otherwise agreed between the Facilities Agent and the Company), London, in the case of Tranche B (unless otherwise agreed between the Facilities Agent and the Company), and London or Milan, in the case of Tranche C (unless otherwise agreed between the Facilities Agent and the Company), or to the extent that lending out of such Facility Office would result in payments made to that Swingline Lender from the relevant Borrower being subject to a Tax Deduction, that or such other Facility Office as that Swingline Lender may nominate which would (at the date of nomination) allow that Swingline Lender to receive payments from the relevant Borrower without Tax Deduction.
- (b) The Swingline Lenders will only be obliged to comply with paragraph (a) above if on the date of the Swingline Loan Utilisation Request and on the proposed Utilisation Date:
 - (i) no Default is outstanding or would result from the proposed Swingline Loan; and
 - (ii) the Repeating Representations to be made by each Obligor are true in all material respects.
- (c) The amount of each Swingline Lender's participation in:
 - (i) each Swingline Loan under Tranche A will be equal to the proportion which its Available Swingline Tranche A Commitment bears to the Available Swingline Tranche A Facility immediately prior to making the Swingline Loan;
 - (ii) each Swingline Loan under Tranche B will be equal to the proportion which its Available Swingline Tranche B Commitment bears to the Available Swingline Tranche B Facility immediately prior to making the Swingline Loan; and
 - (iii) each Swingline Loan under Tranche C will be equal to the proportion which its Available Swingline Tranche C Commitment bears to the Available Swingline Tranche C Facility immediately prior to making the Swingline Loan,in each case, adjusted to take account of any limit applying under Clause 8.6 (*Relationship with the Facilities*).
- (d) The Facilities Agent shall notify each Lender for a particular Tranche of the amount of each Swingline Loan under that Tranche, and in addition shall notify each Swingline Lender under that Tranche of the amount of its participation in that Swingline Loan, in each case by the Specified Time.

8.6 Relationship with the Facilities

- (a) This Clause applies when a Swingline Loan is outstanding or is to be borrowed following the issue of a Swingline Loan Utilisation Request.
- (b) The Facilities (save for Tranche D) may be used by way of Swingline Loans. The Swingline Facilities are not independent of Tranche A, Tranche B and Tranche C.
- (c) Notwithstanding any other term of this Agreement a Lender is only obliged to participate in:

- (i) a Loan under Tranche A to the extent that it would not result in the Base Currency Amount of its participation and that of a Lender which is its Affiliate in Loans under Tranche A exceeding its Overall Tranche A Commitment;
 - (ii) a Loan under Tranche B to the extent that it would not result in the Base Currency Amount of its participation and that of a Lender which is its Affiliate in Loans under Tranche B exceeding its Overall Tranche B Commitment; and
 - (iii) a Loan under Tranche C to the extent that it would not result in the Base Currency Amount of its participation and that of a Lender which is its Affiliate in Loans under Tranche C exceeding its Overall Tranche C Commitment.
- (d) Where, but for the operation of paragraph (c) above, the Base Currency Amount of a Lender's participation in Loans and that of a Lender which is its Affiliate:
- (i) under Tranche A would have exceeded its Overall Tranche A Commitment, the excess will be apportioned among the other Lenders participating in the relevant Loan under Tranche A pro rata according to their Tranche A Commitments;
 - (ii) under Tranche B would have exceeded its Overall Tranche B Commitment, the excess will be apportioned among the other Lenders participating in the relevant Loan under Tranche B pro rata according to their Tranche B Commitments; and
 - (iii) under Tranche C would have exceeded its Overall Tranche C Commitment, the excess will be apportioned among the other Lenders participating in the relevant Loan under Tranche C pro rata according to their Tranche C Commitments.

The calculations under this paragraph (d) will be applied as often as necessary until the Loan is apportioned among the relevant Lenders in a manner consistent with paragraph (c) above.

9. SWINGLINE LOANS

9.1 Swingline Facilities

Subject to the terms of this Agreement:

- (a) the Swingline Lenders under Tranche A make available to the Borrowers a US Dollar swingline loan facility in an aggregate amount equal to the Total Swingline Tranche A Commitments;
- (b) the Swingline Lenders under Tranche B make available to the Borrowers a Sterling swingline loan facility in an aggregate amount equal to the Total Swingline Tranche B Commitments; and
- (c) the Swingline Lenders under Tranche C make available to the Borrowers a euro swingline loan facility in an aggregate amount equal to the Total Swingline Tranche C Commitments.

9.2 Purpose

- (a) Each Borrower shall apply all amounts borrowed by it under the Swingline Facilities towards general liquidity and/or working capital purposes of the Carnival Corporation & plc Group including refinancing any note, instrument, facility or borrowing maturing under a CP Programme.
- (b) A Swingline Loan may not be applied in repayment or prepayment of another Swingline Loan.

9.3 Repayment

- (a) Subject to Clause 9.3(b), each Borrower that has drawn a Swingline Loan shall repay that Swingline Loan on the last day of its Interest Period.
- (b) If the Borrower does not comply with paragraph (a):
 - (i) the Borrower will be deemed to have delivered a Loan Utilisation Request (without the need to satisfy any conditions precedent as otherwise required under this Agreement) under the relevant Tranche to which the Swingline Loan relates for a Loan Utilisation in an amount equal to, and in the same currency as, the amount payable under paragraph (a) with an Interest Period of two weeks;
 - (ii) the amount of each Lender's share in the Loan Utilisation shall be determined in accordance with Clause 5.4; and
 - (iii) the Facilities Agent will pay to the relevant Swingline Lenders the amount requested by the Borrower under paragraph (i) above in full satisfaction of its obligations under paragraph (a).

9.4 Indemnities

- (a) Where a Swingline Loan cannot by reason of applicable law be refinanced with a Loan Utilisation under Clause 9.3(b):
 - (i) each Lender under Tranche A shall (according to its Tranche A Indemnified Proportion) immediately on demand indemnify each Swingline Lender under Tranche A against any cost, loss or liability incurred by that Swingline Lender (otherwise than by reason of that Swingline Lender's gross negligence or wilful misconduct) in acting as a Swingline Lender of a Swingline Loan under Tranche A (unless that Swingline Lender has been reimbursed by an Obligor pursuant to a Finance Document);
 - (ii) each Lender under Tranche B shall (according to its Tranche B Indemnified Proportion) immediately on demand indemnify each Swingline Lender under Tranche B against any cost, loss or liability incurred by that Swingline Lender (otherwise than by reason of that Swingline Lender's gross negligence or wilful misconduct) in acting as a Swingline Lender of a Swingline Loan under Tranche B (unless that Swingline Lender has been reimbursed by an Obligor pursuant to a Finance Document); and
 - (iii) each Lender under Tranche C shall (according to its Tranche C Indemnified Proportion) immediately on demand indemnify each Swingline Lender under Tranche C against any cost, loss or liability incurred by that Swingline Lender (otherwise than by reason of that Swingline Lender's gross negligence or wilful misconduct) in acting as a Swingline Lender of a Swingline Loan under Tranche C (unless that Swingline Lender has been reimbursed by an Obligor pursuant to a Finance Document).
- (b) The relevant Borrower shall immediately on demand reimburse any Lender for any payment it makes to a Swingline Lender under this Clause 9.4 (*Indemnities*) in respect of that Swingline Loan.
- (c) The obligations of each Lender under this Clause are continuing obligations and will extend to the ultimate balance of sums payable by that Lender in respect of any Swingline Loan, regardless of any intermediate payment or discharge in whole or in part.

- (d) The obligations of any Lender under this Clause will not be affected by any act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under this Clause (without limitation and whether or not known to it or any other person) including:
- (i) any time, waiver or consent granted to, or composition with, any Obligor or other person;
 - (ii) the release of any other Obligor or any other person under the terms of any composition or arrangement;
 - (iii) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person or any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
 - (iv) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
 - (v) any amendment (however fundamental) or replacement of a Finance Document or any other document or security;
 - (vi) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
 - (vii) any insolvency or similar proceedings.
- (e) No Obligor will be entitled to any right of contribution or indemnity from any Finance Party in respect of any payment it may make under this Clause 9.4.

9.5 Voluntary Prepayment of Swingline Loans

- (a) The Borrower to which a Swingline Loan has been made may prepay at any time the whole of that Swingline Loan.
- (b) Any prepayment shall be made with accrued interest and without premium or penalty.
- (c) Unless a contrary indication appears in this Agreement, any part of the Swingline Facilities which is prepaid may be reborrowed in accordance with the terms of this Agreement.

9.6 Interest

- (a) The rate of interest on each Swingline Loan for any day during its Interest Period is:
 - (i) for Swingline Loans under Tranche A, the higher of:
 - (A) the prime commercial lending rate in US Dollars announced by the Facilities Agent at the Specified Time and in force on that day; and
 - (B) 0.50 per cent. per annum over the rate per annum determined by the Facilities Agent to be the Federal Funds Rate (as published by the Federal Reserve Bank of New York) for that day;

(ii) for Swingline Loans under Tranche B the percentage rate per annum equal to the aggregate of:

(A) the applicable Margin; and

(B) LIBOR;

(iii) for Swingline Loans under Tranche C, the percentage rate per annum equal to the aggregate of:

(A) the applicable Margin; and

(B) Overnight LIBOR,

and if, in any case, the aggregate rate is less than zero, the rate of interest on each such Swingline Loan shall be deemed to be zero.

(b) The Facilities Agent shall promptly notify the Swingline Lenders and the relevant Borrower of the determination of the rate of interest under paragraph (a) above.

(c) Each Borrower shall pay accrued interest on each Swingline Loan made to it on the last day of its Interest Period.

9.7 Interest Period

(a) Each Swingline Loan has one Interest Period only.

(b) The Interest Period for a Swingline Loan must be selected in the relevant Swingline Loan Utilisation Request.

9.8 Unavailability of Screen Rate – Swingline Loans under Tranche C

(a) If no Screen Rate is available for Overnight LIBOR for any day the applicable Overnight LIBOR for that day shall be the most recent applicable Screen Rate which is as of a day which is no more than 5 days before that day.

(b) If paragraph (a) above applies and there is no applicable Screen Rate which is as of a day which is no more than 5 days before that day there shall be no Overnight LIBOR for that day and Clause 9.9 (*Cost of funds – Swingline Loans under Tranche C*) shall apply.

9.9 Cost of funds – Swingline Loans under Tranche C

(a) If this Clause 9.9 applies, the rate of interest on the relevant Swingline Loan for the relevant day shall be the percentage rate per annum which is the sum of:

(i) the Swingline Margin; and

(ii) the weighted average of the rates notified to the Agent by each Swingline Lender as soon as practicable, and in any event before interest is due to be paid in respect of that Swingline Loan, to be that which expresses as a percentage rate per annum the cost to the relevant Swingline Lender of funding its participation in that Swingline Loan for that day from whatever source it may reasonably select.

- (b) If this Clause 9.9 applies but any Swingline Lender does not supply a quotation by the time specified in paragraph (a)(ii) above the rate of interest shall be calculated on the basis of the quotations of the remaining Swingline Lenders.

9.10 Facilities Agent

- (a) The Facilities Agent may perform its duties in respect of the Swingline Facilities through an Affiliate acting as its agent.
- (b) Notwithstanding any other term of this Agreement and without limiting the liability of any Obligor under the Finance Documents, each Lender shall (in proportion to its share of the Total Commitments or, if the Total Commitments are then zero, to its share of the Total Commitments immediately prior to their reduction to zero) pay to or indemnify the Facilities Agent, within three Business Days of demand, for or against any cost, loss or liability incurred by any Affiliate of the Facilities Agent (other than by reason of such Affiliate's gross negligence or wilful misconduct) in acting as Facilities Agent for the Swingline Facilities under the Finance Documents (unless such Affiliate has been reimbursed by an Obligor pursuant to a Finance Document).

9.11 Partial payments – Swingline Facilities

- (a) If the Facilities Agent receives a payment in respect of a Swingline Facility that is insufficient to discharge all the amounts then due and payable by an Obligor under the Finance Documents in respect of that Swingline Facility, the Facilities Agent shall apply that payment towards the obligations of that Obligor under the Finance Documents in respect of that Swingline Facility in the following order:
 - (i) **first**, in or towards payment pro rata of any unpaid amount owing to the Facilities Agent or its Affiliate under the Finance Documents incurred in respect of that Swingline Facility;
 - (ii) **secondly**, in or towards payment pro rata of any accrued interest on a Swingline Loan due but unpaid under this Agreement;
 - (iii) **thirdly**, in or towards payment pro rata of the principal of any Swingline Loan due but unpaid under this Agreement; and
 - (iv) **fourthly**, in or towards payment pro rata of any other sum due but unpaid under the Finance Documents in respect of that Swingline Facility.
- (b) The Facilities Agent shall, if so directed by all the Swingline Lenders, vary the order set out in paragraphs (a)(ii) to (a)(iv) above.
- (c) Paragraphs (a) and (b) above will override any appropriation made by an Obligor and Clause 34.6 (*Partial payments*) does not apply to the Swingline Facilities.

9.12 Conditions of assignment or transfer

- (a) Notwithstanding any other term of this Agreement, each Lender shall ensure that at all times its Overall Tranche A Commitment is not less than:
 - (i) its Swingline Tranche A Commitment; or

- (ii) if it does not have a Swingline Tranche A Commitment, the Swingline Tranche A Commitment of a Lender which is its Affiliate.
- (b) Notwithstanding any other term of this Agreement, each Lender shall ensure that at all times its Overall Tranche B Commitment is not less than:
 - (i) its Swingline Tranche B Commitment; or
 - (ii) if it does not have a Swingline Tranche B Commitment, the Swingline Tranche B Commitment of a Lender which is its Affiliate.
- (c) Notwithstanding any other term of this Agreement, each Lender shall ensure that at all times its Overall Tranche C Commitment is not less than:
 - (i) its Swingline Tranche C Commitment; or
 - (ii) if it does not have a Swingline Tranche C Commitment, the Swingline Tranche C Commitment of a Lender which is its Affiliate.

10. EXTENSION OPTION

10.1 Interpretation

In this Clause 10:

Initial Request Date means the date falling one year after the 2019 Amendment Effective Date.

Original Termination Date means the date falling five years after the 2019 Amendment Effective Date.

Relevant Extension Date means:

- (i) for an Initial Extension Request, the Initial Request Date; and
- (ii) for a Second Extension Request, the Second Request Date.

Relevant Portion means the part of a Facility to which an Extension Request relates.

Second Request Date means the date falling two years after the 2019 Amendment Effective Date.

10.2 Extension of Termination Date

- (a) The Company (and any Obligor incorporated in Italy) may by delivering an Extension Request to the Facilities Agent (an **Initial Extension Request**) not more than 90 days and not less than 45 days before the Initial Request Date, request that the Termination Date for all or part of any of the Facilities be extended to the date 12 months after the Original Termination Date (the **Extended Termination Date**).
- (b) Without prejudice to paragraph (a) above, the Company (and any Obligor incorporated in Italy) may by delivering an Extension Request to the Facilities Agent (a **Second Extension Request**) not more than 90 days and not less than 45 days before the Second Request Date, request that the Termination Date for all or part of any Facility:

- (i) with respect to Lenders who have agreed to the Initial Extension Request, be extended to the date 12 months after the Extended Termination Date; and/or
- (ii) if no Initial Extension Request has been made, or with respect to Lenders who refused the Initial Extension Request:
 - (A) be extended to the date 12 months after the Original Termination Date; or
 - (B) be extended to the date 24 months after the Original Termination Date,
as selected by the Company (and any Obligor incorporated in Italy) in the notice to the Facilities Agent.
- (c) The Facilities Agent must promptly notify the Lenders of any Extension Request.
- (d) Each Lender shall, in its sole discretion, notify the Facilities Agent on or prior to the date falling 20 days prior to the Relevant Extension Date (the **Notification Date**) in writing of:
 - (i) its acceptance of the Extension Request; or
 - (ii) its rejection of the Extension Request.
- (e) The Facilities Agent must (as soon as practicable and in any event within 2 days of the Notification Date) notify the Borrower and the Lenders which have agreed to the extension, identifying in that notification which Lenders (if any) have not agreed to the Extension Request.
- (f) Each Lender that agrees to an Extension Request by the Relevant Extension Date, will extend the Relevant Portion of its Commitment(s) and (if applicable) Swingline Commitments to the date 12 months or 24 months, as applicable, after the Original Termination Date and the Termination Date with respect to the Relevant Portion of the Commitment(s) of that Lender will be extended accordingly.
- (g) If any Lender fails to reply to an Extension Request on or before the date falling 20 days before the Relevant Extension Date it will be deemed to have refused that Extension Request and its Commitments and the Termination Date applicable to that Lender will not be extended.
- (h) For the avoidance of doubt, no Finance Party is under any obligation to agree to an extension requested in paragraph (a) or (b) above. Nothing in this Clause 10 shall restrict the Company's rights under Clause 13.6 (*Involuntary prepayment and cancellation and replacement of Lender*).
- (i) If an Extension Request relates to part of the Facilities, it must be in respect of a rateable portion of each Lender's Commitment(s) and (if applicable) each Lender's Swingline Commitment(s).

11. OPTIONAL CURRENCIES

11.1 Selection of currency

A Borrower (or the Company on behalf of a Borrower) shall select the currency of a Loan Utilisation in a Loan Utilisation Request and a Bond Utilisation in a Bond Utilisation Request.

11.2 Unavailability of a currency

- (a) If before the Specified Time on any Quotation Day:

- (i) a Lender notifies the Facilities Agent that the Optional Currency requested is not readily available to it in the amount required; or
- (ii) a Lender notifies the Facilities Agent that compliance with its obligation to participate in a Loan in the proposed Optional Currency would contravene a law or regulation applicable to it,

the Facilities Agent will give notice to the Company and the relevant Borrower promptly and in any event no later than the Specified Time on that day.

- (b) Any Lender that gives notice pursuant to paragraph (a) above will be required to participate in the Loan in the Base Currency for the Tranche requested (in an amount equal to that Lender's proportion of the Base Currency Amount for that Tranche or, in respect of a Rollover Loan, an amount equal to that Lender's proportion of the Base Currency Amount for that Tranche of the Rollover Loan that is due to be made) and its participation will be treated as a separate Loan denominated in the Base Currency for that Tranche during that Interest Period.
- (c) Any part of a Loan treated as a separate Loan under this Clause 11.2 will not be taken into account for the purposes of any limit on the number of Loans outstanding at any one time.
- (d) A Loan will still be treated as a Rollover Loan if it is not denominated in the same currency as the maturing Loan by reason of the operation of this Clause 11.2.

11.3 Conditions relating to Optional Currencies

- (a) A currency will constitute an Optional Currency in relation to any Utilisation if it is not the relevant Base Currency and if either:
 - (i) it is readily available and freely convertible into the Base Currency for the relevant Tranche readily available in the amount requested in the Relevant Market on the Quotation Day and the Utilisation Date for that Utilisation and has been approved by the Facilities Agent (acting on the instructions of all the Lenders on or prior to receipt by the Facilities Agent of the relevant Utilisation Request for that Loan); or
 - (ii) it is US Dollars, euro or Sterling.
- (b) If the Facilities Agent has received a written request from a Borrower for a currency to be approved under paragraph (a) above, the Facilities Agent will confirm to that Borrower by the Specified Time:
 - (i) whether or not the Lenders have granted their approval; and
 - (ii) if approval has been granted, the minimum amount (and, if required, integral multiples) for any subsequent Utilisation in that currency.

12. REPAYMENT

- (a) Subject to paragraph (b) below, each Borrower which has drawn a Loan shall repay that Loan on the last day of its Interest Period.
- (b) At any time when a Lender becomes a Defaulting Lender, the maturity date of each of the participations of that Lender (and any Affiliate of a Defaulting Lender that is a Lender) in the Loans then outstanding will be automatically extended to the Termination Date in relation to the

relevant Tranche and will be treated as separate Loans (the *Separate Loans*) denominated in the currency in which the relevant participations are outstanding.

- (c) A Borrower to whom a Separate Loan is outstanding may prepay that Loan by giving three Business Days' prior notice to the Facilities Agent. The Facilities Agent will forward a copy of a prepayment notice received in accordance with this paragraph (c) to the Defaulting Lender concerned as soon as practicable on receipt.
- (d) Interest in respect of a Separate Loan will accrue for successive Interest Periods selected by the Borrower by the time and date specified by the Facilities Agent (acting reasonably) and will be payable by that Borrower to the Defaulting Lender on the last day of each Interest Period of that Loan. Notwithstanding Clause 8.1 (*General*) and Clause 9.6 (*Interest*), the rate of interest in respect of any Swingline Loan that becomes a Separate Loan in accordance with this Clause 12 shall be calculated in accordance with Clause 14.1 (*Calculation of interest*) with effect from the end of the Interest Period during which such Swingline Loan becomes a Separate Loan.
- (e) The terms of this Agreement relating to Loans generally shall continue to apply to Separate Loans other than to the extent inconsistent with paragraphs (b) to (d) above, in which case those paragraphs shall prevail in respect of any Separate Loan.
- (f) Subject to the other terms of this Agreement, any amounts repaid under paragraph (a) above may be re-borrowed.
- (g) If, pursuant to the terms of this Agreement, the Lenders are obliged to make a Rollover Loan, the maturing loan referred to in the definition of Rollover Loan shall be repaid and the Rollover Loan shall be made without any requirement for an actual exchange of payments (other than to the extent that the amount of the maturing loan is more than the Rollover Loan), but without prejudice to the relevant Borrower's obligation to pay interest on the maturing loan.
- (h) Notwithstanding the provisions of Clause 7, each Bond Borrower shall ensure that each Bond is repaid in full on or before the Termination Date.

13. PREPAYMENT AND CANCELLATION

13.1 Mandatory prepayment - illegality

- (a) A Lender must notify the Company and the Facilities Agent promptly if it becomes aware that:
 - (i) it will become; or
 - (ii) it is,
unlawful in any applicable jurisdiction for that Lender to perform any of its obligations under a Finance Document or to fund or maintain its share in any Utilisation.
- (b) If a Tranche D Lender becomes aware of any unlawfulness that may affect its ability to issue a particular Bond, that Lender shall promptly notify the Company and the Facilities Agent of that event.
- (c) After notification under paragraph (a)(ii) above:
 - (i) each Borrower must repay or prepay the share of that Lender in each Utilisation on the date specified in paragraph (d) below;
and

- (ii) the Tranche A Commitment, the Tranche B Commitment, the Tranche C Commitment and the Tranche D Commitment of that Lender will be immediately cancelled.
- (d) The date for repayment or prepayment of a Lender's share in an outstanding Utilisation will be:
 - (i) the last day of the current Interest Period for that Utilisation; or
 - (ii) if earlier, the date specified by the Lender in the notification under paragraph (a)(ii) above and which must not be earlier than the last day of any applicable grace period allowed by law.

13.2 Mandatory prepayment - change of ownership

- (a) For the purposes of this Clause:

Arison Party means each and all of Marilyn B. Arison, Micky Meir Arison, Shari Arison, Michael Arison or their spouses, children or lineal descendants of Marilyn B. Arison, Micky Meir Arison, Shari Arison, Michael Arison or their spouses, any trust established for the benefit of any Arison family member mentioned herein, or any person directly or indirectly, controlling, controlled by or under common control with any Arison family member mentioned herein or any trust established for the benefit of any such Arison family member or any charitable trust or non-profit entity established by any of the aforesaid persons or trusts;

a **change of ownership** occurs if any person or group of persons (other than any Arison Party or any two or more Arison Parties) gains ownership of the Company or Carnival plc provided that a change of ownership shall be deemed not to have occurred if:

- (a) either:
 - (i) the Company directly or indirectly gains ownership of Carnival plc; or
 - (ii) Carnival plc directly or indirectly gains ownership of the Company; and
- (b) such consequential amendments are made to this Agreement (with the consent of the Company and the Facilities Agent which consent shall not be unreasonably withheld, delayed or conditioned) as are required to reflect the relevant change and to put the Parties in an equivalent position as regards the companies in the Carnival Corporation & plc Group as would have applied had the relevant change not occurred; and
- (c) the Facilities Agent receives a legal opinion from lawyers approved by it (acting reasonably) and in form and substance satisfactory to it (acting reasonably) confirming that (i) the monetary obligations under the Finance Documents of the Company will continue to be guaranteed by Carnival plc under the relevant Deed of Guarantee and/or (ii) the monetary obligations under the Finance Documents of Carnival plc will continue to be guaranteed by the Company under the relevant Deed of Guarantee, in each case, after the relevant change referred to in paragraph (a) above.

ownership means the ownership of more than fifty per cent. (50%) of the voting share capital (or equivalent rights of ownership) of the Company or of Carnival plc.

- (b) The Company must promptly notify the Facilities Agent if it becomes aware of any change of ownership.

- (c) If a change of ownership occurs, the Facilities Agent and the Company shall enter into discussions to determine if there is a basis acceptable to all the Lenders and the Company for continuing the Facilities. If such agreement is reached within 90 days of the change of ownership, the Parties will promptly implement the agreement. If such agreement is not reached within 90 days of the change of ownership the Facilities Agent must, by notice to the Company:
- (i) cancel the Total Tranche A Commitments, the Total Tranche B Commitments, the Total Tranche C Commitments and the Total Tranche D Commitments, as the case may be; and/or
 - (ii) declare each outstanding Utilisation, together with accrued interest and all other amounts accrued under the Finance Documents, to be immediately due and payable.

Any such notice will take effect in accordance with its terms.

13.3 Voluntary Prepayment

- (a) The Company may, by giving not less than three Business Days' prior notice to the Facilities Agent, prepay (or ensure that a Borrower prepays) any Loan at any time in whole or in part.
- (b) A prepayment of part of a Loan must be:
 - (i) in respect of Tranche A, in a minimum amount of US\$5,000,000 (or its equivalent in any Optional Currency);
 - (ii) in respect of Tranche B, in a minimum amount of £2,500,000 (or its equivalent in any Optional Currency);
 - (iii) in respect of Tranche C, in a minimum amount of €5,000,000 (or its equivalent in any Optional Currency); and
 - (iv) in respect of Tranche D, in a minimum amount of US\$2,000,000 (or its equivalent in any Optional Currency).

13.4 Automatic cancellation

The Tranche A Commitment, the Tranche B Commitment, the Tranche C Commitment and the Tranche D Commitment of each Lender will be automatically cancelled at the close of business on the last day of the Availability Period.

13.5 Voluntary cancellation

- (a) The Company may by notice to the Facilities Agent not later than 8:00 am on the date such cancellation is to take effect, cancel without penalty the whole or any part of the Available Tranche A Facility, the Available Tranche B Facility, the Available Tranche C Facility and/or the Available Tranche D Facility.
- (b) Partial cancellation of:
 - (i) the Available Tranche A Facility must be in a minimum amount of US\$10,000,000;
 - (ii) the Available Tranche B Facility must be in a minimum amount of £10,000,000;
 - (iii) the Available Tranche C Facility must be in a minimum amount of €10,000,000; and

- (iv) the Available Tranche D Facility must be in a minimum amount of US\$10,000,000.
- (c) Any cancellation in part will be applied against the relevant Available Tranche A Facility, the Available Tranche B Facility, the Available Tranche C Facility and the Available Tranche D Facility, as the case may be, of each Lender pro rata.

13.6 Involuntary prepayment and cancellation and replacement of Lender

- (a) If:
 - (i) a Lender rejects an Extension Request under Clause 10 (*Extension Option*); or
 - (ii) an Obligor is, or will be, required to pay to a Lender a Tax Payment or an Increased Cost, while the requirement continues, the Company may give notice to the Facilities Agent of prepayment and/or cancellation in respect of that Lender or give notice to the Facilities Agent of its intention to replace that Lender in accordance with paragraph (d) below.
- (b) After notification of prepayment and/or cancellation under paragraph (a) above:
 - (i) each Borrower must repay or prepay that Lender's share in each Utilisation under each Tranche made to it on the date specified in paragraph (c) below; and/or, as the case may be
 - (ii) the Commitment and Swingline Commitment of that Lender (or its Affiliate) will be immediately cancelled.
- (c) The date for repayment or prepayment of a Lender's share in an outstanding Utilisation will be the last day of the Interest Period for that Utilisation during which the Company has given notice of prepayment and/or cancellation under paragraph (a) above or, if earlier, the date specified by the Company in its notification.
- (d) The Company may, in the circumstances set out in paragraph (a) above, on three Business Days' prior notice to the Facilities Agent and that Lender, replace that Lender by requiring that Lender to (and, to the extent permitted by law, that Lender shall) transfer pursuant to Clause 29 (*Changes to the Lenders*) all (and not part only) of its rights and obligations under this Agreement to a Lender or other bank or financial institution selected by the Company which confirms its willingness to assume and does assume all the obligations of the transferring Lender in accordance with Clause 29 (*Changes to the Lenders*) for a purchase price in cash or other cash payment payable at the time of the transfer equal to the outstanding principal amount of such Lender's participation in the outstanding Loans and all accrued interest, Break Costs and other amounts payable in relation thereto under the Finance Documents.
- (e) The replacement of a Lender pursuant to paragraph (d) above shall be subject to the following conditions:
 - (i) the Company shall have no right to replace the Facilities Agent;
 - (ii) neither the Facilities Agent nor any Lender shall have any obligation to find a replacement Lender; and
 - (iii) in no event shall the Lender replaced under paragraph (d) above be required to pay or surrender any of the fees received by such Lender pursuant to the Finance Documents.

- (f) If any Lender (or any Affiliates which are Lenders) becomes a Defaulting Lender, the Company may, at any time whilst the Lender (or its Affiliate) continues to be a Defaulting Lender, give the Facilities Agent three Business Days' notice of cancellation of the Available Commitment or Available Swingline Commitment of that Lender (or in each case, its Affiliate).
- (g) On the notice referred to in paragraph (f) above becoming effective, the Available Commitment or Available Swingline Commitment of the Defaulting Lender (or its Affiliate) shall immediately be reduced to zero.
- (h) The Facilities Agent shall as soon as practicable after receipt of a notice referred to in paragraph (f) above, notify all the Lenders.

13.7 Miscellaneous provisions

- (a) Any notice of prepayment and/or cancellation under this Agreement is irrevocable and must specify the relevant date(s) upon which the relevant cancellation is to take effect or prepayment is to be made and the amount of that cancellation or prepayment. The Facilities Agent must notify the Lenders promptly of receipt of any such notice.
- (b) All prepayments under this Agreement must be made with accrued interest on the amount prepaid. No premium or penalty is payable in respect of any prepayment except for Break Costs.
- (c) Any part of the Facilities which are prepaid may be reborrowed in accordance with the terms of this Agreement.
- (d) The Majority Lenders may agree a shorter notice period for a voluntary prepayment.
- (e) No prepayment or cancellation is allowed except in accordance with the express terms of this Agreement.
- (f) Subject to Clause 2.2 (*Increase*), no amount of the Total Tranche A Commitments, Total Tranche B Commitments, Total Tranche C Commitments or Total Tranche D Commitments cancelled under this Agreement may subsequently be reinstated.
- (g) Any cancellation of a Swingline Commitment of a Swingline Lender shall reduce the relevant Swingline Commitment accordingly but shall not otherwise cancel or reduce the Commitment of the relevant Lender in respect of the Facility (or of any Affiliate of the relevant Swingline Lender) unless and to the extent otherwise provided for in this Agreement.
- (h) Any cancellation of the Commitment of a Lender that is a Swingline Lender or an Affiliate of a Swingline Lender shall not cancel or reduce any Swingline Commitment of that Lender or its Affiliate unless a Swingline Commitment of that Lender or its Affiliate would exceed the Commitment of that Lender immediately following such reduction, in which case the relevant Swingline Commitment of that Lender or its Affiliate shall be reduced by such amount as is necessary to ensure that, after the relevant cancellation, each such Swingline Commitment does not exceed the Commitment of that Lender or its Affiliate.

14. INTEREST

14.1 Calculation of interest

The rate of interest on each Loan (other than a Swingline Loan) for each Interest Period is the percentage rate per annum equal to the aggregate of:

- (a) the applicable Margin; and
- (b) LIBOR or, in relation to any Loan in euro, EURIBOR,

and if that aggregate rate is less than zero, the rate of interest on each Loan shall be deemed to be zero.

14.2 Payment of interest

The Borrower to which a Loan has been made shall pay accrued interest on that Loan on the last day of each Interest Period and, if the Interest Period is longer than six months, on the dates falling at six monthly intervals after the first day of that Interest Period.

14.3 Interest on overdue amounts

- (a) If an Obligor fails to pay any amount payable by it under the Finance Documents, it must immediately on demand by the Facilities Agent pay interest on the overdue amount from its due date up to the date of actual payment, both before, on and after judgment.
- (b) Interest on an overdue amount is payable at a rate determined by the Facilities Agent to be one per cent. per annum above the rate which would have been payable if the overdue amount had, during the period of non-payment, constituted a Loan in the currency of the overdue amount for successive Interest Periods, each of a duration selected by the Facilities Agent (acting reasonably) of up to three months.
- (c) Notwithstanding paragraph (b) above, if the overdue amount consists of all or part of a Loan which became due and payable on a day which was not the last day of an Interest Period for that Loan, then:
 - (i) the first Interest Period for that overdue amount shall have a duration equal to the unexpired portion of the current Interest Period for that Loan; and
 - (ii) the rate of interest on the overdue amount for that first Interest Period will be one per cent. per annum above the rate which would have applied if the overdue amount had not become due.

After the expiry of the first Interest Period for that overdue amount, the rate on the overdue amount will be calculated in accordance with paragraph (b) above.

- (d) Interest (if unpaid) on an overdue amount will be compounded with that overdue amount at the end of each Interest Period applicable to that overdue amount but will remain immediately due and payable.
- (e) The amount of interest on overdue amounts payable by an Italian Obligor under this Agreement will only be compounded in accordance with and to the extent permitted by article 1283 of the Italian Civil Code and article 120 of the Italian Banking Act (and any relevant implementing regulations), each as amended, supplemented or implemented from time to time.

14.4 Notification of rates of interest

The Facilities Agent shall promptly notify the Lenders and the relevant Borrower of the determination of a rate of interest under this Agreement.

14.5 Margin

- (a) At the 2019 Amendment Effective Date the Margin will be 0.225 per cent. per annum. Thereafter the Margin will, subject to paragraph (b), and further subject to paragraph (e), be set in accordance with the pricing grid below and paragraphs (c) to (j) below to be the percentage rate per annum specified in Column 2 as set out opposite the Carnival Credit Rating at the relevant time by Moody's and S&P specified in Column 1 below.

| Column 1 - Carnival Credit Rating | Column 2 Margin % p.a. |
|--|-----------------------------------|
| A+/A1 or higher | 0.175 |
| A/A2 | 0.20 |
| A-/A3 | 0.225 |
| BBB+/Baa1 | 0.30 |
| BBB/Baa2 | 0.45 |
| BBB-/Baa3 or lower | 0.65 |

- (b) During any period in which neither Moody's nor S&P assigns a Carnival Credit Rating, the Margin shall be 0.65 per cent. per annum as adjusted pursuant to paragraph (e) below.
- (c) If there is a different Carnival Credit Rating assigned by S&P and Moody's, the applicable Margin shall be determined by averaging the Margins for S&P and Moody's as determined in accordance with the pricing grid in paragraph (a) above.
- (d) During any period in which the Carnival Credit Rating comprises rating(s) from only one of Moody's or S&P, the Margin shall be determined in accordance with the pricing grid in paragraph (a) above for that rating only.
- (e) Subject to paragraphs (i) and (j) below, the applicable Margin will be adjusted depending on the CO₂ Performance, as follows: [***]

- (f) For the purposes of this Agreement, any reduction or increase in the Margin shall be determined on, and shall take effect from, the Business Day immediately following:
- (i) in the case of a reduction or increase based on the Carnival Credit Rating, the date of publication of the relevant change to the Carnival Credit Rating; and
 - (ii) in the case of a reduction or increase based on CO₂ Performance, subject to paragraph (i) below, the date that the relevant Assurance Statement is delivered to the Facilities Agent pursuant to Clause 25.4 (*Assurance Statement*) of this Agreement.
- (g) Promptly after becoming aware of the same, the Company shall inform the Facilities Agent in writing if either (i) there is any change in the Carnival Credit Rating with either Moody's or S&P which will cause a change to the Margin or (ii) if any of the circumstances contemplated by paragraphs (b) or (c) above arise.

- (h) For the purposes of paragraph (e) above, the CO₂ Performance for each financial year ending 30 November will be determined by reference to the Assurance Statement in respect of that financial year which is to be delivered pursuant to Clause 25.4 (*Assurance Statement*) by no later than 30 June in the following financial year.
- (i) If the Company fails to comply with its obligation pursuant to Clause 25.4 (*Assurance Statement*) to supply an Assurance Statement by 30 June in any year (unless such failure is as a result of the circumstances described in paragraph (j) below) then the CO₂ Performance shall be deemed for the purposes of paragraph (e) above to fall within the 'Below target' column of the definition of 'CO₂ Performance' until such time that the Company delivers an Assurance Statement which shows there should be a decrease in Margin following which the Margin will be adjusted in accordance with paragraph (e) above, such adjustment to take effect from the Business Day immediately following the date that the relevant Assurance Statement is delivered to the Facilities Agent.
- (j) In the event that the Termination Date is extended pursuant to paragraph (a) or paragraph (b) of Clause 10 (*Extension option*), the Company and the Facilities Agent (on behalf of the Lenders) agree to negotiate in good faith for a period of not more than 30 days, to agree the CO₂ Performance target levels for the period from:
- (i) in the case of any extension pursuant to paragraph (a) of Clause 10.2 (*Extension option*), the Original Termination Date to the Extended Termination Date; and
- (ii) in the case of any extension pursuant to:
- (A) paragraph (b)(i) of Clause 10.2 (*Extension option*), the Extended Termination Date to the date 12 months after the Extended Termination Date;
- (B) paragraph (b)(ii)(A) of Clause 10.2 (*Extension option*), the Original Termination Date to the date 12 months after the Original Termination Date; or
- (C) paragraph (b)(ii)(A) of Clause 10.2 (*Extension option*), the Original Termination Date to the date 24 months after the Original Termination Date,

each such period, an **Extension Period**.

If the Company and the Facilities Agent (acting on behalf of the Lenders) fail to agree the CO₂ Performance target levels for the relevant Extension Period Date then the Margin will be set by reference to paragraph (a) above and shall not be subject to adjustment pursuant to paragraph (e) above.

- (k) For the purpose of this Clause 14.5, **Carnival Credit Rating** means, in respect of Moody's or S&P:
- (i) the long term senior unsecured debt rating of the Company published by Moody's or, as the case may be, S&P; or
- (ii) if Moody's or S&P (as the case may be) does not publish a long term senior unsecured debt rating as provided in paragraph (i) above, the long term senior unsecured debt rating of Carnival plc published by Moody's or, as the case may be, S&P.

14.6 Maximum Interest Rate

Where any interest rate payable by a Borrower incorporated in Italy determined in accordance with this Agreement, including default interest rate, exceeds in any period of three calendar months the interest rate determined pursuant to paragraph 4 of article 2 of the Italian Act (*Legge*) 7 March 1996 No. 108 for transactions of the type contemplated hereunder, such interest rate will be deemed to be equal to and shall not exceed the maximum interest rate during such period determined in accordance with the above-mentioned provisions of Italian law.

15. INTEREST PERIODS

15.1 Selection of Interest Periods

- (a) A Borrower (or the Company or Carnival plc on behalf of any Borrower not incorporated in Italy) may select an Interest Period for a Loan in the Loan Utilisation Request for that Loan.
- (b) Subject to this Clause 15, a Borrower (or the Company or Carnival plc on behalf of a Borrower not incorporated in Italy) may select an Interest Period of one, three or six months or any other period agreed between the Company and the Facilities Agent (acting on the instructions of all the Lenders).
- (c) An Interest Period for a Loan shall not extend beyond the Termination Date.
- (d) Each Interest Period for a Loan shall start on the Utilisation Date in respect of that Loan.
- (e) A Loan has one Interest Period only.

15.2 Non-Business Days

If an Interest Period would otherwise end on a day which is not a Business Day, that Interest Period will instead end on the next Business Day in that calendar month (if there is one) or the preceding Business Day (if there is not).

16. CHANGES TO THE CALCULATION OF INTEREST

16.1 Unavailability of Screen Rate

- (a) *Interpolated Screen Rate*: If no Screen Rate is available for LIBOR or, if applicable, EURIBOR for the Interest Period of a Loan, the applicable LIBOR or EURIBOR shall be the Interpolated Screen Rate for a period equal in length to the Interest Period of that Loan.
- (b) *Reference Bank Rate*: If no Screen Rate is available for LIBOR or, if applicable, EURIBOR for:
 - (i) the currency of a Loan; or
 - (ii) the Interest Period of a Loan and it is not possible to calculate the Interpolated Screen Rate,the applicable LIBOR or EURIBOR shall be the Reference Bank Rate as of the Specified Time for the currency of that Loan and for a period equal in length to the Interest Period of that Loan.
- (c) *Cost of funds*: If paragraph (b) above applies but no Reference Bank Rate is available for the relevant currency or Interest Period there shall be no LIBOR or EURIBOR for that Loan and Clause 16.4 (*Cost of funds*) shall apply to that Loan for that Interest Period.

16.2 Calculation of Reference Bank Rate

- (a) Subject to paragraph (b) below, if LIBOR or EURIBOR is to be determined on the basis of a Reference Bank Rate but a Reference Bank does not supply a quotation by the Specified Time, the Reference Bank Rate shall be calculated on the basis of the quotations of the remaining Reference Banks.
- (b) If at or about noon on the Quotation Day, none or only one of the Reference Banks supplies a quotation, there shall be no Reference Bank Rate for the relevant Interest Period.

16.3 Market Disruption

If before close of business in London on the Quotation Day for the relevant Interest Period, the Facilities Agent receives notifications from a Lender or Lenders (whose participations in a Loan exceed 66 $\frac{2}{3}$ per cent. of that Loan) that the cost to it of funding its participation in that Loan from the wholesale market for the relevant currency would be in excess of LIBOR or, if applicable, EURIBOR then Clause 16.4 (*Cost of funds*) shall apply to that Loan for the relevant Interest Period.

16.4 Cost of funds

- (a) If this Clause 16.4 applies, the rate of interest on the relevant Loan for the relevant Interest Period shall be the percentage rate per annum which is the sum of:
 - (i) the Margin; and
 - (ii) the weighted average of the rates notified to the Facilities Agent by each Lender as soon as practicable and in any event within 10 Business Days of the first day of that Interest Period (or, if earlier, on the date falling five Business Days before the date on which interest is due to be paid in respect of that Interest Period), to be that which expresses as a percentage rate per annum the cost to the relevant Lender of funding its participation in that Loan from whatever source it may reasonably select.
- (b) If this Clause 16.4 applies and the Facilities Agent or the Company so requires, the Facilities Agent and the Company shall enter into negotiations (for a period of not more than thirty days) with a view to agreeing a substitute basis for determining the rate of interest
- (c) If this Clause 16.4 applies but any Lender does not supply a quotation by the time specified in paragraph (a)(ii) above, the rate of interest shall be calculated on the basis of the quotations of the remaining Lenders.
- (d) Any alternative basis agreed pursuant to paragraph (b) above shall, with the prior consent of all the Lenders and the Company, be binding on all Parties.

16.5 Notification to the Company

If Clause 16.4 (*Cost of funds*) applies the Facilities Agent shall, as soon as is practicable, notify the Company.

16.6 Break Costs

- (a) Each Borrower shall, within three Business Days of demand, pay to the Facilities Agent for the account of each Lender such Lender's Break Costs attributable to all or any part of a Loan (other than a Swingline Loan) or Unpaid Sum being paid by that Borrower on a day other than the last day of an Interest Period for that Loan or Unpaid Sum.

- (b) Each Lender must supply to the Facilities Agent (who shall promptly deliver them to the Company and the relevant Borrower) details of the amount of any Break Costs claimed by it under this Clause 16.6.

17. FEES

17.1 Commitment fee

- (a) The Company shall pay to the Facilities Agent (for the account of each Lender) a commitment fee in the Base Currency of the relevant Tranche computed at the rate of 35 per cent. of the applicable Margin per annum on the daily undrawn, uncanceled amount of each Lender's Commitment.
- (b) The accrued commitment fee is payable quarterly in arrears during the Availability Period and on the last day of the Availability Period and, if the Total Tranche A Commitments, the Total Tranche B Commitments, the Total Tranche C Commitments or the Total Tranche D Commitments are cancelled in full, at the time such cancellation is effective.
- (c) No commitment fee is payable to the Facilities Agent (for the account of a Lender) on any Commitment of that Lender for any day on which that Lender is a Defaulting Lender.

17.2 Arrangement fee

The Company shall pay to the Arrangers (for the account of each Arranger) an arrangement fee in the amount and at the times agreed in a Fee Letter between the Arrangers and the Company.

17.3 Agency fee

The Company shall pay to the Facilities Agent (for its own account) an agency fee in the amount and at the times agreed in a Fee Letter between the Facilities Agent and the Company.

17.4 Bookrunner fee

The Company shall pay to the active bookrunners (as such term is used in the Commitment Letter) (for the account of each such active bookrunner) a bookrunner fee in the amount and at the times agreed in a Fee Letter between such active bookrunners and the Company.

17.5 Participation fee

The Company shall pay to the Facilities Agent (for the account of each Original Lender) a participation fee in the amount and at the times agreed in a Fee Letter between the Facilities Agent and the Company.

17.6 Utilisation fee

- (a) The Company shall pay to the Facilities Agent (for the account of each Lender) a utilisation fee computed at the rate of:
- (i) for each day on which the aggregate amount of the Utilisations (where each Utilisation is converted into US Dollars at the Facilities Agent's Spot Rate of Exchange on that day) equals or is less than 33½ per cent. of the Total Commitments, 0.075 per cent. per annum;
 - (ii) for each day on which the aggregate amount of the Utilisations (where each Utilisation is converted into US Dollars at the Facilities Agent's Spot Rate of Exchange on that

day) exceeds 33½ per cent. but equals or is less than 66⅔ per cent. of the Total Commitments, 0.15 per cent. per annum; and

(iii) for each day on which the aggregate amount of the Utilisations (where each Utilisation is converted into US Dollars at the Facilities Agent's Spot Rate of Exchange on that day) exceeds 66⅔ per cent. of the Total Commitments, 0.30 per cent. per annum.

(b) Utilisation fee is payable in US Dollars on the amount of each Lender's share in the Utilisations.

(c) Accrued utilisation fee is payable quarterly in arrear during the Availability Period and on the last day of the Availability Period and, for a Lender, on the date on which it ceases to be a Lender under this Agreement.

17.7 Bonding fee

(a) Each Bond Borrower shall pay to the Facilities Agent (for the account of each relevant Tranche D Lender) for each Bond requested by it a bonding fee in US Dollars computed at the applicable Margin on the daily outstanding amount of that Bond for the period from the issue of that Bond until and including its Expiry Date or, following a claim under such Bond, until and including the date of reimbursement of the full amount of such claim to the relevant Tranche D Lender whether pursuant to Clause 7.1(b), 7.3(a) or otherwise.

(b) The accrued bonding fee on a Bond (if any) shall be payable quarterly in arrear starting on the date falling three months after the date of the Agreement and the dates falling quarterly thereafter.

(c) If a Bond Borrower cash covers any part of a Bond then:

(i) the bonding fee payable for the account of each relevant Tranche D Lender shall continue to be payable in accordance with paragraph (a); and

(ii) the Bond Borrower will be entitled to withdraw the interest accrued on the cash cover to pay those fees.

17.8 Timing of payments

Notwithstanding any provision to the contrary in any Finance Document, all payments to be made by an Obligor in respect of any fees referred to in Clauses 17.1, 17.4 and 17.7 are due within three Business Days of written demand to the Company by the Facilities Agent in each case served no earlier than the times agreed for payment, and attaching a statement of detailed calculations.

18. TAXES

18.1 Application of Clauses

(a) Clauses 18.2 to 18.7 shall only apply in respect of payments by the following Obligor:

(i) Carnival plc; and

(ii) any Additional Borrower resident in the United Kingdom.

(b) Clauses 18.8 to 18.9 shall only apply in respect of payments by the following Obligor:

(i) the Company;

- (ii) CC U.S. Ventures, Inc.;
 - (iii) any Additional Borrower incorporated in a state within, or operating in, the U.S.; and
 - (iv) other members of the Carnival Corporation & plc Group who become an Additional Borrower as may be requested by the Company to be covered under this paragraph (b), subject to the consent of the Facilities Agent (such consent not to be unreasonably withheld, delayed or conditioned).
- (c) Clauses 18.10 to 18.15 shall only apply in respect of payments by the following Obligor:
- (i) Costa Crociere S.p.A.; and
 - (ii) any Additional Borrower resident in Italy.
- (d) Clauses 18.16 to 18.19 shall only apply in respect of payments by any Additional Borrower resident in the Netherlands.
- (e) Clauses 18.20 to 18.23 shall apply in respect of payments by any Obligor that does not fall within any of paragraphs (a), (b), (c) or (d).
- (f) Clauses 18.24 and 18.25 shall apply in respect of payments made by all Obligors.

18.2 General

In Clauses 18.3 to 18.7:

Borrower DTTP Filing means an HM Revenue & Customs' Form DTTP2 duly completed and filed by the relevant Borrower, which:

- (i) where it relates to a Treaty Lender that is an Original Lender, contains the scheme reference number and jurisdiction of tax residence stated opposite that Lender's name in Part B or Part C (as applicable) of Schedule 1 (*The Parties*), and
 - (A) where the Borrower is a Borrower as at the 2019 Amendment Effective Date, is filed with HM Revenue & Customs within 30 working days of the 2019 Amendment Effective Date; or
 - (B) where the Borrower is an Additional Borrower, is filed with HM Revenue & Customs within 30 working days of the date on which that Borrower becomes an Additional Borrower; or
- (ii) where it relates to a Treaty Lender that is a New Lender or Increase Lender, contains the scheme reference number and jurisdiction of tax residence stated in respect of that Lender in the documentation which the New Lender or Increase Lender executes on becoming party as a Lender, and
 - (A) where the Borrower is a Borrower as at the relevant Transfer Date or Increase Date as applicable, is filed with HM Revenue & Customs within 30 working days of that Transfer Date or Increase Date as applicable; or
 - (B) where the Borrower is not a Borrower as at the relevant Transfer Date or Increase Date as applicable, is filed with HM Revenue & Customs within 30 working days of the date on which that Borrower becomes an Additional Borrower.

MLI means the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting of 24 November 2016.

Qualifying Lender means a Lender which is beneficially entitled to interest payable to that Lender in respect of an advance under this Agreement and is:

- (a) a U.K. Lender; or
- (b) a Treaty Lender.

Tax Confirmation means a confirmation by a Lender that the person beneficially entitled to interest payable to that Lender under this Agreement is either:

- (a) a company resident in the UK for UK tax purposes;
- (b) a partnership, each member of which is:
 - (i) a company resident in the UK for UK tax purposes; or
 - (ii) a company not resident in the UK for UK tax purposes but which carries on a trade in the UK through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the CTA 2009) the whole of any share of interest payable to it under this Agreement which is attributable to it by reason of Part 17 of the CTA 2009; or
- (c) a company not resident in the UK for UK tax purposes which carries on a trade in the UK through a permanent establishment and which brings into account interest payable to it under this Agreement in computing its chargeable profits (within the meaning of section 19 of the CTA 2009).

Treaty Lender means a Lender which:

- (a) is resident (as defined in the appropriate double taxation agreement) in a country with which the U.K. has a double taxation agreement giving residents of that country full exemption from U.K. taxation on interest;
- (b) does not carry on a business in the U.K. through a permanent establishment with which the payment is effectively connected; and
- (c) is entitled to receive interest without withholding or, if withheld, is entitled to reclaim that withholding in full, under the terms of the appropriate double taxation agreement except that for this purpose it shall be assumed that the Obligor has not entered into any transaction or arrangement (other than the relevant Loan itself) that causes the Lender to lose entitlement to receive interest without withholding, or if withheld, entitlement to reclaim that withholding, pursuant to a 'principal purpose' test of the kind described in Article 7(1) of the MLI that is incorporated in the relevant double taxation agreement pursuant to the MLI.

U.K. Bank Lender means a Lender:

- (a) which is a bank (as defined for the purpose of section 879 of the ITA 2007) making an advance under a Finance Document and is within the charge to United Kingdom corporation tax as respects any payments of interest made in respect of that advance or would be within such charge as respects such payments apart from section 18A of the CTA 2009; or

- (b) in respect of an advance made under a Finance Document by a person that was a bank (as defined for the purpose of section 879 of the ITA 2007) at the time that that advance was made and within the charge to United Kingdom corporation tax as respects any payments of interest made in respect of that advance.

U.K. Lender means a Lender which is:

- (a) a U.K. Bank Lender; or
- (b) a U.K. Non-Bank Lender.

U.K. Non-Bank Lender means:

- (a) a company resident in the U.K. for U.K. tax purposes;
- (b) a partnership, each member of which:
 - (i) is a company resident in the U.K. for U.K. tax purposes; or
 - (ii) a company not resident in the U.K. for U.K. tax purposes but which carries on a trade in the U.K. through a permanent establishment and which brings into account in computing its chargeable profits (for the purpose of section 19 of CTA 2009) the whole of any share of interest payable to it under this Agreement which falls to it by reason of Part 17 of CTA 2009; or
- (c) a company not resident in the U.K. for U.K. tax purposes which carries on a trade in the U.K. through a permanent establishment and which brings into account interest payable to it under this Agreement in computing its chargeable profits for the purpose of section 19 of CTA 2009,

which, in each case, is beneficially entitled to interest payable to it under this Agreement and which has provided to the Company and not retracted confirmation that it is one of the above by way of a Tax Confirmation.

18.3 Tax gross-up

- (a) Each Obligor must make all payments to be made by it under the Finance Documents without any Tax Deduction, unless a Tax Deduction is required by law.
- (b) If:
 - (i) a Lender is not, or ceases to be, a Qualifying Lender; or
 - (ii) an Obligor or a Lender is aware that an Obligor must make a Tax Deduction (or that there is a change in the rate or the basis of a Tax Deduction),

it must promptly notify the Facilities Agent. The Facilities Agent must then promptly notify the affected Parties.

- (c) Except as provided below, if a Tax Deduction is required by law to be made by an Obligor, the amount of the payment due from the Obligor will be increased to an amount which (after making the Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

- (d) Except as provided below, an Obligor is not required to make an increased payment under paragraph (c) above for a Tax Deduction in respect of tax imposed by the U.K. to a Lender that is not, or has ceased to be on the date on which the payment is due, a Qualifying Lender in excess of the amount that the Obligor would have had to pay under paragraph (c) above had the Lender been, or not ceased to be on the date on which the payment is due, a Qualifying Lender, except that where an amount (the **Claim**) is demanded under the guarantee given by Carnival plc in respect of a default by one of its Subsidiaries (the **Paying Party**), Carnival plc shall not be entitled to the benefit of this paragraph (d) if, but only to the extent that, the amount paid by Carnival plc in respect of the Claim would be thereby reduced to an amount less than the amount which the Lender was entitled to receive from the Paying Party in respect of the Claim.
- (e) Paragraph (d) above will not apply if the Lender has ceased to be a Qualifying Lender by reason of any change in (or in the interpretation, administration or application of) any law or double taxation agreement or any published practice or concession of any relevant taxing authority which becomes effective after the date it became a Lender under this Agreement.
- (f) An Obligor is not required to make an increased payment to a Lender under paragraph (c) above for a Tax Deduction in respect of the tax imposed by the U.K. if that Lender is a Treaty Lender and the Obligor making the payment is able to demonstrate that the Tax Deduction would not have been required if the Lender had complied with its obligations under paragraph (j) or (k) below.
- (g) An Obligor is not required to make an increased payment under paragraph (c) above if the Lender is a Qualifying Lender solely by virtue of being a UK Non-Bank Lender and an officer of H.M. Revenue & Customs has given (and not revoked) a direction (a **Direction**) under section 931 ITA 2007 which relates to the payment and that Lender has received from the Obligor making the payment a certified copy of that Direction and the payment could have been made to the Lender without any Tax Deduction if that Direction had not been made.
- (h) If an Obligor is required to make a Tax Deduction, that Obligor shall make that Tax Deduction in the minimum amount required by law and must make any payment required in connection with that Tax Deduction within the time allowed by law.
- (i) As soon as practical following the making of either a Tax Deduction or a payment required in connection with a Tax Deduction, the Obligor making that Tax Deduction or payment must deliver to the Facilities Agent for the relevant Finance Party evidence reasonably satisfactory to that Finance Party that the Tax Deduction has been made or (as applicable) the appropriate payment has been paid to the relevant taxing authority.
- (j)
- (i) Subject to paragraph (j)(ii) below, a Treaty Lender and each Obligor which makes a payment to which that Treaty Lender is entitled shall co-operate in completing any procedural formalities necessary for that Obligor to obtain authorisation to make that payment without a Tax Deduction.
- (ii)
- (A) A Treaty Lender which becomes a Party on the day on which this Agreement is entered into (or the 2019 Amendment Effective Date) that holds a passport under the HMRC DT Treaty Passport scheme, and which wishes that scheme to apply to this Agreement, shall confirm its scheme reference number and its jurisdiction of tax residence opposite its name in Part B or Part C (as applicable) of Schedule 1 (*The Parties*); or

- (B) a New Lender or Increase Lender that is a Treaty Lender that holds a passport under the HMRC DT Treaty Passport scheme, and which wishes that scheme to apply to this Agreement, shall confirm its scheme reference number and its jurisdiction of tax residence in the documentation which the New Lender or Increase Lender executes on becoming party as a Lender,

and, having done so, that Lender shall be under no obligation pursuant to sub-paragraph (i) above.

- (k) If a Lender has confirmed its scheme reference number and its jurisdiction of tax residence in accordance with paragraph (j)(ii) above and:

- (i) a Borrower making a payment to that Lender has not made a Borrower DTTP Filing in respect of that Lender; or

- (ii) a Borrower making a payment to that Lender has made a Borrower DTTP Filing in respect of that Lender but:

- (A) that Borrower DTTP Filing has been rejected by HM Revenue & Customs; or

- (B) HM Revenue & Customs has not given the Borrower authority to make payments to that Lender without a Tax Deduction within 60 days of the date of the Borrower DTTP Filing,

and in each case, the Borrower has notified that Lender in writing, that Lender and the Borrower shall co-operate in completing any additional procedural formalities necessary for that Borrower to obtain authorisation to make that payment without a Tax Deduction.

- (l) If a Lender has not confirmed its scheme reference number and jurisdiction of tax residence in accordance with paragraph (j)(ii) above, no Obligor shall make a Borrower DTTP Filing or file any other form relating to the HMRC DT Treaty Passport scheme in respect of that Lender's Commitment(s) or its participation in any Loan unless the Lender otherwise agrees.

- (m) A Borrower shall, promptly on making a Borrower DTTP Filing, deliver a copy of that Borrower DTTP Filing to the Facilities Agent for delivery to the relevant Lender.

- (n) A UK Non-Bank Lender which becomes a Party on the day on which this Agreement is entered into (or the 2019 Amendment Effective Date) gives a Tax Confirmation to the Company by entering into this Agreement.

- (o) A UK Non-Bank Lender shall promptly notify the Company and the Facilities Agent if there is any change in the position from that set out in the Tax Confirmation.

18.4 Tax indemnity

- (a) Except as provided below, the Company must indemnify a Finance Party against any loss or liability which that Finance Party acting reasonably determines will be or has been suffered (directly or indirectly) by that Finance Party for or on account of Tax in relation to a payment received or receivable (or any payment deemed to be received or receivable) under a Finance Document.

- (b) Paragraph (a) above does not apply to any Tax assessed on a Finance Party under the laws of the jurisdiction in which:

- (i) that Finance Party is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Finance Party is treated as resident or as having a permanent establishment for tax purposes; or
- (ii) that Finance Party's Facility Office is located in respect of amounts received or receivable in that jurisdiction,

if that Tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by that Finance Party.

- (c) Paragraph (a) above does not apply to the extent a loss, liability or cost:
 - (i) is compensated for by any increased payment under Clause 18.3 (*Tax gross-up*);
 - (ii) would have been compensated for by an increased payment under Clause 18.3 (*Tax gross-up*) but was not so compensated solely because one of the exclusions in Clause 18.3(d) and 18.3(f) applied; or
 - (iii) relates to a FATCA Deduction required to be made by a Party.
- (d) A Finance Party making, or intending to make, a claim under paragraph (a) above must promptly notify the Company of the event which will give, or has given, rise to the claim.

18.5 Tax Credit

- (a) Where any payment has been made subject to a Tax Deduction, a Finance Party agrees to use its commercially reasonable endeavours to complete any procedural formalities necessary for the relevant Finance Party to obtain any Tax Credit available as a result of the payment being made subject to a Tax Deduction.
- (b) If an Obligor makes a Tax Payment and the relevant Finance Party in its absolute discretion exercised in good faith determines that:
 - (i) a Tax Credit is attributable either to an increased payment of which that Tax Payment forms part, or to that Tax Payment or to a Tax Deduction in consequence of which that Tax Payment was required; and
 - (ii) it has used and retained that Tax Credit (on a consolidated basis if relevant to the determination of its allowable credit for foreign taxes paid or accrued),

the Finance Party must pay an amount to the Obligor which that Finance Party determines will leave it (after that payment) in the same after-Tax position as it would have been if the Tax Payment had not been required to be made by the Obligor.

18.6 Lender Status Confirmation

- (a) Each Lender which becomes a Party to this Agreement after the 2019 Amendment Effective Date shall indicate, in the documentation which the New Lender or Increase Lender executes on becoming party as a Lender, and for the benefit of the Facilities Agent and without liability to the Obligors, which of the following categories it falls in:
 - (i) not a Qualifying Lender;
 - (ii) a Qualifying Lender (other than a Treaty Lender); or

- (iii) a Treaty Lender.
- (b) If a New Lender or Increase Lender fails to indicate its status in accordance with this Clause 18.6 then such New Lender or Increase Lender shall be treated for the purposes of this Agreement (including by each Obligor) as if it is not a Qualifying Lender until such time as it notifies the Facilities Agent which category applies (and the Facilities Agent, upon receipt of such notification, shall inform the Company). For the avoidance of doubt, a Transfer Certificate or Increase Confirmation shall not be invalidated by any failure of a Lender to comply with this Clause 18.6.

18.7 Stamp taxes

The Company must pay and indemnify each Finance Party against any stamp duty, registration or other similar Tax payable in connection with the entry into, performance or enforcement of any Finance Document, except for any such Tax payable in connection with the entry into a Transfer Certificate.

18.8 General

In Clause 18.8 to 18.9:

Excluded Taxes means, with respect to the Facilities Agent, any Lender or any other recipient of any payment to be made by or on account of any obligation of an Obligor under the Finance Documents:

- (a) income, franchise or other similar taxes imposed on, based on or measured by or with respect to its net income by the United States of America, or income, franchise or other similar taxes imposed on, based on or measured by or with respect to its net income, net worth or capital employed, or gross basis business and/or occupational taxes by the jurisdiction under the laws of which such recipient is organized or in which it is resident or, in the case of any Lender, in which its applicable lending office is located;
- (b) any branch profits taxes imposed by the United States of America or any similar tax imposed by any other jurisdiction described in paragraph (a) above;
- (c) in the case of a Lender (other than an assignee pursuant to a request by an Obligor under Clause 18.9(g)), any withholding tax that:
 - (i) is attributable to such Lender's failure to comply with Clause 18.9(e); or
 - (ii) in the case of a Foreign Lender, is imposed by the United States of America and is in effect and would apply to amounts payable to such Foreign Lender, at the time such Foreign Lender becomes a party to this Agreement (including by assignment) or designates a Facility Office or a new lending office, except to the extent that (x) where the Foreign Lender is an assignee, the assignor was entitled to receive additional amounts with respect to any withholding tax pursuant to Clause 18.9, (y) where the Foreign Lender has designated a new Facility Office or other lending office, the Foreign Lender was entitled to receive additional amounts with respect to any withholding tax pursuant to Clause 18.9 before the designation of a new Facility Office or other lending office or (z) such withholding tax shall have resulted from the making of any payment to a location other than the Facility Office or other lending office designated by the Facilities Agent or such Foreign Lender for the receipt of payments of the applicable type;
- (d) any income, franchise or other similar tax, or any branch profits or similar tax, imposed by a jurisdiction to the extent such tax is attributable to a connection between such jurisdiction and

the Facilities Agent, such Lender or such other recipient, as the case may be, other than a connection arising from the transactions contemplated by this Agreement; and

- (e) any FATCA Deduction.

Foreign Lender means, with respect to an Obligor, any Lender that is organized under the laws of a jurisdiction other than that in which that Obligor is located and, with respect to the Company, outside the United States of America. For purposes of this definition, the United States of America, each State thereof and the District of Columbia shall be deemed to constitute a single jurisdiction.

Governmental Authority means the government of the United States of America, any other nation or any political subdivision thereof, whether state or local, and any agency, authority, instrumentality, regulatory body, court, central bank or other entity exercising executive, legislative, judicial, taxing, regulatory or administrative powers or functions of or pertaining to government.

Indemnified Taxes means Taxes other than Excluded Taxes.

Other Taxes means any and all present or future recording, stamp, documentary, excise, transfer, sales, property or similar taxes, charges or levies arising from any payment made under the Finance Documents or from the execution, delivery or enforcement of, or otherwise with respect to, this Agreement other than (1) Excluded Taxes and (2) any Taxes required to be paid solely as a result of the execution or delivery of an instrument effecting an assignment, designation or participation contemplated in Clause 29 (*Changes to the Lenders*) (excluding any designation or assignment initiated pursuant to Clause 18.9(g) (*Taxes*)).

18.9 Taxes

- (a) Any and all payments by or on account of any obligation of an Obligor under the Finance Documents shall be made free and clear of and without deduction for any Indemnified Taxes or Other Taxes; provided that if an Obligor shall be required to deduct any Indemnified Taxes or Other Taxes from such payments, then (i) the sum payable shall be increased as necessary so that after making all required deductions (including deductions applicable to additional sums payable under this Clause 18.9) the Facilities Agent or Lender (as the case may be) receives an amount equal to the sum it would have received had no such deductions been made, (ii) that Obligor shall make such deductions and (iii) that Obligor shall pay the full amount deducted to the relevant Governmental Authority in accordance with applicable law.
- (b) In addition, an Obligor shall pay any Other Taxes to the relevant Governmental Authority in accordance with applicable law.
- (c) Each Obligor shall indemnify the Facilities Agent and each Lender, within 30 days after written demand therefor, for the full amount of any Indemnified Taxes or Other Taxes paid by the Facilities Agent or such Lender, as the case may be, on or with respect to any payment by or on account of any obligation of that Obligor under the Finance Documents (including Indemnified Taxes or Other Taxes imposed or asserted on or attributable to amounts payable under this Clause 18.9) and any penalties, interest and reasonable expenses arising therefrom or with respect thereto (except to the extent such penalties, interest or expenses result from the gross negligence or wilful misconduct of the Facilities Agent or the applicable Lender), whether or not such Indemnified Taxes or Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to the Company by a Lender, or by the Facilities Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error, provided that such certificate shall include a description in reasonable detail of the Indemnified Tax or Other Tax for which the indemnity is being

demanded and the calculation in reasonable detail of the amount of such indemnity. The Facilities Agent and each Lender agrees to use its reasonable endeavours to complete any procedural formalities necessary for the Facilities Agent and the Lender to obtain a credit against any Indemnified Tax or Other Tax or any relief or remission for an Indemnified Tax or Other Tax (or its repayment). Notwithstanding any contrary provision under the Finance Documents, the Facilities Agent or the Lender, as the case may be, shall have no obligation to contest the imposition or assertion of any Indemnified Tax or Other Tax.

- (d) As soon as practicable after any payment of Indemnified Taxes or Other Taxes by an Obligor to a Governmental Authority, the Obligor shall deliver to the Facilities Agent the original or a certified copy of a receipt issued by such Governmental Authority evidencing such payment (if such a receipt is reasonably obtainable from such Governmental Authority), a copy of the return reporting such payment or other evidence of such payment reasonably satisfactory to the Facilities Agent.
- (e) The Facilities Agent will deliver to the Company, and each Lender will deliver to the Facilities Agent and the Company, on or before the first Utilisation Date (or, in the case of a Lender that becomes a Lender after the first Utilisation Date, on or before such later date on which such Lender becomes a Lender) such properly completed and executed Internal Revenue Service form (Form W-8BEN, W-8ECI, W-8EXP, W-8IMY, or W-9, as applicable) as will demonstrate, in accordance with applicable regulations, that payments of interest by an Obligor to the Facilities Agent for the account of such Lender pursuant to this Agreement will be exempt from (or entitled to a reduction in the rate of) United States federal withholding taxes. Any Foreign Lender that is entitled to an exemption from or reduction of withholding tax under the law of the jurisdiction in which the Obligor is located, or any treaty to which such jurisdiction is a party, with respect to payments under this Agreement shall deliver to the Company (with a copy to the Facilities Agent), at the time or times prescribed by applicable law, such other properly completed and executed documentation prescribed by applicable law or reasonably requested by the Company (including any replacement or successor form) as will permit such payments to be made without withholding or at a reduced rate, provided that such Foreign Lender has received prior written notice from the Company advising it of the availability of such exemption or reduction and containing all applicable documentation.
- (f) If the Facilities Agent or a Lender determines that it has received a refund of or Tax Credit for any Taxes or Other Taxes as to which it has been indemnified by an Obligor or with respect to which an Obligor has paid additional amounts pursuant to this Clause 18.9, it shall pay over such refund or Tax Credit to that Obligor (but only to the extent of indemnity payments made, or additional amounts paid, by the Obligor under this Clause 18.9 with respect to the Taxes or Other Taxes giving rise to such refund or Tax Credit), net of all reasonable out-of-pocket expenses of the Facilities Agent or such Lender and without interest (other than any interest paid by the relevant Governmental Authority with respect to such refund or Tax Credit); provided, that the Obligor, upon the request of the Facilities Agent or such Lender, agrees to repay the amount paid over to the Obligor (plus any penalties, interest or other charges imposed by the relevant Governmental Authority) to the Facilities Agent or such Lender to the extent that the Facilities Agent or such Lender is required to repay such refund to such Governmental Authority. This Clause 18.9 shall not be construed to require the Facilities Agent or any Lender to make available its tax returns (or any other information relating to its taxes which it deems confidential) to the Obligor or any other person.
- (g) If an Obligor is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to this Clause 18.9, then the Obligor may, at its sole expense and effort, upon notice to such Lender and the Facilities Agent, require such Lender to assign and delegate, without recourse (in accordance with and subject to the restrictions

contained in Clause 29), all its interests, rights and obligations under this Agreement to an assignee that shall assume such obligations (which assignee may be another Lender, if a Lender accepts such assignment); provided that (i) the Obligor shall have received the prior written consent of the Facilities Agent, which consent shall not unreasonably be withheld, (ii) such Lender shall have received payment of an amount equal to the outstanding principal of its share in the Utilisations, accrued interest thereon, accrued fees and all other amounts payable to it hereunder, from the assignee (to the extent of such outstanding principal and accrued interest and fees) or the Obligor (in the case of all other amounts) and (iii) in the case of any such assignment resulting from payments required to be made pursuant to this Clause 18.9, such assignment will result in a material reduction in such compensation or payments. A Lender shall not be required to make any such assignment and delegation if, prior thereto, as a result of a waiver by such Lender or otherwise, the circumstances entitling the Obligor to require such assignment and delegation cease to apply.

18.10 General

In Clauses 18.10 to 18.15:

Affidavit means the affidavit as approved by the Italian revenues agency on 10 July 2013 (and as amended from time to time) and made available on the website www.agenziaentrate.gov.it. or any other form with similar contents and producing substantially the same tax effects.

Change of Tax Law means any change which occurs after the date of this Agreement, in (or in the published interpretation, administration or the application of) any tax law or regulation or double taxation treaty or any published practice or published concession of any relevant taxing authority.

Exempted Lender means any entity which, under article 26, paragraph 5 bis of Italian Presidential Decree No. 600 of 29 September 1973, is entitled to receive interest payments deriving from Italy on medium long term loan without the application of any Tax Deduction imposed by Italian law.

Italian Lender means a Lender which is:

- (a) a bank or financial institution duly authorized or licensed to carry out banking or lending activity in Italy pursuant to the applicable law and regulation and that is resident for tax purposes in Italy pursuant to article 73 of Italian Presidential Decree No. 917 of 22 December 1986, and for the purpose of the Finance Documents does not act through a Facility Office which qualifies as a permanent establishment located outside Italy; or
- (b) a Facility Office which qualifies as a permanent establishment in Italy, or, in any case, a permanent establishment in Italy of a bank or financial institution duly authorised or licensed to carry out banking activity in Italy, for which any payment received under the Finance Documents is business income (“reddito d’impresa”) pursuant articles 81, and 152 of Italian Presidential Decree no. 917 of 22nd December 1986; or
- (c) a special purpose vehicle established for the purpose of a securitisation according with Italian Law No. 130 of 30 April 1999; or
- (d) an alternative investment fund established under Directive 2011/61/EU and duly authorised or licensed to carry out lending activity in Italy that is resident in Italy for tax purposes pursuant to Article 73 of Italian Presidential Decree No. 917 of 22 December 1986.

Qualifying Lender means a Lender which is beneficially entitled to interest payable to that Lender in respect of an advance under this Agreement and is:

- (a) an Italian Lender;
- (b) a Treaty Lender; or
- (c) an Exempted Lender.

Self-Declaration means the self-declaration substantially in the form set out in Schedule 13 (*Form of Self-Declaration*) to this Agreement

Treaty Lender means a Lender which:

- (a) is treated as a resident for tax purposes in a jurisdiction which has a double taxation treaty with Italy which makes provision for full exemption from withholding tax on interest (the **Italian Treaty**) and it is entitled to benefit from such treaty;
- (b) does not carry on a business in Italy through a permanent establishment, branch or agency with which the payment is effectively connected; and
- (c) has duly and timely fulfilled all the documentary conditions as requested for the application of the Italian Treaty, including the filing of the relevant Affidavit.

18.11 Tax gross-up

- (a) Each Obligor must make all payments to be made by it under the Finance Documents without any Tax Deduction, unless a Tax Deduction is required by law.
- (b) If:
 - (i) a Lender is not, or ceases to be, a Qualifying Lender; or
 - (ii) an Obligor or a Lender is aware that an Obligor must make a Tax Deduction (or that there is a change in the rate or the basis of a Tax Deduction),

it must promptly notify the Facilities Agent. Similarly, an Obligor shall promptly upon becoming aware that an Obligor must make a Tax Deduction (or that there is a change in the rate or the basis of any Tax Deduction) notify the Facilities Agent accordingly. The Facilities Agent must then promptly notify the affected Parties.

- (c) Except as provided below, if a Tax Deduction is required by law to be made by an Obligor, the amount of the payment due from the Obligor will be increased to an amount which (after making the Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.
- (d) Except as provided below, an Italian Borrower is not required to make an increased payment under paragraph (c) above for a Tax Deduction in respect of the Tax imposed by the Republic of Italy if on the date on which the payment concerned falls due:
 - (i) the payment could have been made to a Lender without a Tax Deduction if it was a Qualifying Lender, but on that date the Lender is not, or has ceased to be, a Qualifying Lender other than as a result of any Change of Tax Law; or
 - (ii) the relevant Lender is a Treaty Lender or an Exempted Lender and the Obligor making the payment is able to demonstrate that the payment could have been made to the Lender

without the Tax Deduction had that Lender complied with its obligations under paragraph (h) below and Clause 18.15 (*Lender status confirmation*).

- (e) If an Obligor is required by law to make a Tax Deduction, that Obligor shall make that Tax Deduction and must make any payment required in connection with that Tax Deduction in the minimum amount and within the time period allowed by law.
- (f) Within 46 days of making either a Tax Deduction or a payment required in connection with a Tax Deduction, the Obligor must deliver to the Facilities Agent for the relevant Finance Party evidence reasonably satisfactory to that Finance Party that the Tax Deduction has been made or (as applicable) the appropriate payment has been paid to the relevant taxing authority.
- (g) A Treaty Lender or an Exempted Lender shall file any Affidavit or any Self-Declaration Form under Clause 18.15 (*Lender status confirmation*) or any other form and/or information necessary for the Borrower to be entitled to make that payment without a Tax Deduction or with a reduced Tax Deduction.

18.12 Tax indemnity

- (a) Except as provided below, the Company must indemnify a Finance Party against any loss or liability which that Finance Party acting reasonably determines will be or has been suffered (directly or indirectly) by that Finance Party for or on account of Tax in relation to a payment received or receivable (or any payment deemed to be received or receivable) under a Finance Document.
- (b) Paragraph (a) above does not apply to any Tax assessed on a Finance Party under the laws of the jurisdiction in which:
 - (i) that Finance Party is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Finance Party is treated as resident for tax purposes or as having a permanent establishment for tax purposes; or
 - (ii) that Finance Party's Facility Office is located in respect of amounts received or receivable in that jurisdiction,

if that Tax is imposed on or calculated by reference to the net income (including the "*valore della produzione netta*" for the purposes of Italian regional tax on productive activities or "*IRAP*" provided for by Legislative Decree no. 446 of 15 December 1997) received or receivable by that Finance Party. However, any payment deemed to be received or receivable, including any amount treated as income but not actually received by the Finance Party, such as a Tax Deduction, will not be treated as net income received or receivable for this purpose.

- (c) Paragraph (a) above does not apply to the extent a loss, liability or cost:
 - (i) is compensated for by any increased payment under Clause 18.11 (*Tax gross-up*);
 - (ii) would have been compensated for by an increased payment under Clause 18.11 (*Tax gross-up*) but was not so compensated solely because one of the exclusions in Clause 18.11(d) applied; or
 - (iii) is compensated for by Clause 18.15 (*Stamp taxes*) or Clause 18.24 (*Value added taxes*), or would have been but for the exclusions in those Clauses;
 - (iv) relates to a FATCA Deduction required to be made by a Party;

- (v) is suffered or incurred with respect to any Finance Party, or any payment attributable to, or liability arising as a consequence of, a Finance Party, existing as at the date of signature of this Agreement.
- (d) A Finance Party making, or intending to make, a claim under paragraph (a) above must promptly notify the Company of the event which will give, or has given, rise to the claim.

18.13 Tax Credit

- (a) Where any payment has been made subject to a Tax Deduction, a Finance Party agrees to use its reasonable endeavours to complete any procedural formalities necessary for the relevant Finance Party to obtain any Tax Credit available as a result of the payment being made subject to a Tax Deduction.
- (b) If an Obligor makes a Tax Payment and the relevant Finance Party determines in its absolute discretion exercised in good faith that:
 - (i) a Tax Credit is attributable either to an increased payment of which that Tax Payment forms part, or to that Tax Payment, or to a Tax Deduction in consequence of which that Tax Payment was required; and
 - (ii) it has used and retained that Tax Credit (on a consolidated basis if relevant to the determination of its allowable credit for foreign taxes paid or accrued),

the Finance Party must pay an amount to the Obligor which that Finance Party determines will leave it (after that payment) in the same after-Tax position as it would have been if the Tax Payment had not been required to be made by the Obligor.

18.14 Lender Status Confirmation

- (a) In respect to an Italian Borrower, each Lender which becomes a Party to this Agreement after the 2019 Amendment Effective Date shall indicate, in the Transfer Certificate or Increase Confirmation which it executes on becoming a Party, and for the benefit of the Facilities Agent and without liability to the Obligors, which of the following categories it falls in:
 - (i) not a Qualifying Lender;
 - (ii) a Qualifying Lender (other than a Treaty Lender or an Exempted Lender);
 - (iii) a Treaty Lender; or
 - (iv) an Exempted Lender.
- (b) Each Lender shall promptly, after becoming a Lender under this Agreement, comply with any reasonable administrative requirement from time to time provided for by applicable law that is necessary for an Italian Borrower to be entitled to make the relevant payment without a Tax Deduction or with the minimum possible Tax Deduction and, unless it is an Italian Lender, agrees to provide the Borrower with an Affidavit duly executed by it:
 - (i) on a date which falls on the later of:
 - (A) at least 5 Business Days prior to the date upon which interest is first due to be paid to it, and

- (B) the date it becomes a Lender under this Agreement;
 - (ii) thereafter, as soon as possible upon expiration of the previous Affidavit, and, in any event, at least 5 Business Days prior to the next date upon which interest is due to be paid to it following expiration of the previous Affidavit; and
 - (iii) in any case, whenever there is a change in the Lender's status under a double taxation treaty (including if it changes its tax residence) at least 5 Business Days prior to the subsequent date upon which interest is due to be paid.
- (c) An Exempted Lender shall provide an Italian Borrower with a Self Declaration at least 5 Business Days prior to the date upon which interest is first due to be paid to it.
 - (d) If a new Lender fails to indicate its status in accordance with paragraph (a) above then such new Lender shall be treated for the purposes of this Agreement (including by an Italian Borrower) as if it is not a Qualifying Lender until such time as it notifies the Agent which category applies (and the Agent, upon receipt of such notification, shall inform the Borrower). For the avoidance of doubt, a Transfer Certificate or Increase Confirmation shall not be invalidated by any failure of a Lender to comply with this Clause 18.15(a).

18.15 Stamp taxes

The Company must pay and indemnify each Finance Party against any stamp duty, registration or other similar Tax payable in connection with the entry into, performance or enforcement of any Finance Document, except for (a) any such Tax payable in connection with the entry into a Transfer Certificate (including, for avoidance of any doubts, any Tax that arises because of a sub-participation or similar arrangement is entered into); and (b) any such Tax imposed by the Republic of Italy due to a registration or filing in Italy of a Finance Document when such registration or filing is not required to maintain, preserve, establish or enforce the rights of the Finance Party.

18.16 General

- (a) In Clauses 18.16 to 18.19:

Protected Party means a Finance Party which is or will be subject to any liability, or required to make any payment, for or on account of tax in relation to a sum received or receivable (or any sum deemed for the purposes of tax to be received or receivable) under a Finance Document.

Treaty Lender means a Lender which:

- (a) is treated as a resident of a Treaty State for the purposes of the relevant Treaty; and
- (b) does not carry on a business in the Netherlands through a permanent establishment, a fixed base or a permanent representative with which that Lender's participation in the Loan is effectively connected;

Treaty State means a jurisdiction having a double taxation agreement (a **Treaty**) with the Netherlands which makes provision for full exemption or full refund from tax imposed on interest.

- (b) Unless a contrary indication appears, in Clauses 18.16 to 18.19 (inclusive) a reference to **determines** or **determined** means a determination made in the absolute discretion of the person making the determination.

18.17 Tax gross-up

- (a) Each Obligor shall make all payments to be made by it without any Tax Deduction, unless a Tax Deduction is required by law.
- (b) The Company shall promptly upon becoming aware that an Obligor must make a Tax Deduction (or that there is any change in the rate or the basis of a Tax Deduction) notify the Facilities Agent accordingly. Similarly, a Lender shall notify the Facilities Agent on becoming so aware in respect of a payment payable to that Lender. If the Facilities Agent receives such notification from a Lender it shall notify the Company and that Obligor.
- (c) If a Tax Deduction is required by law to be made by an Obligor, the amount of the payment due from that Obligor shall be increased to an amount which (after making any Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.
- (d) An Obligor is not required to make an increased payment to a Lender under paragraph (c) for a Tax Deduction from a payment of interest on a Utilisation, if on the date on which the payment falls due the relevant Lender is a Treaty Lender and the Obligor making the payment is able to demonstrate that the payment could have been made to the Lender without the Tax Deduction had that Lender complied with its obligations under paragraph (g) below.
- (e) If an Obligor is required to make a Tax Deduction, that Obligor shall make that Tax Deduction and any payment required in connection with that Tax Deduction within the time allowed and in the minimum amount.
- (f) Within thirty days of making either a Tax Deduction or any payment required in connection with that Tax Deduction, the Obligor making that Tax Deduction shall deliver to the Facilities Agent for the Finance Party entitled to the payment evidence reasonably satisfactory to that Finance Party that the Tax Deduction has been made or (as applicable) any appropriate payment paid to the relevant taxing authority.
- (g) A Treaty Lender and each Obligor which makes a payment to which that Treaty Lender is entitled shall co-operate in completing any procedural formalities necessary for that Obligor to obtain authorisation to make that payment without a Tax Deduction.

18.18 Tax indemnity

- (a) The Company shall (within three Business Days of demand by the Facilities Agent) pay to a Protected Party an amount equal to the loss, liability or cost which that Protected Party determines will be or has been suffered (directly or indirectly) for or on account of tax by that Protected Party in respect of a Finance Document.
- (b) Paragraph (a) shall not apply:
 - (i) with respect to any tax assessed on a Finance Party:
 - (A) under the law of the jurisdiction in which that Finance Party is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Finance Party is treated as resident or as having a permanent establishment for tax purposes; or
 - (B) under the law of the jurisdiction in which that Finance Party's Facility Office is located in respect of amounts received or receivable in that jurisdiction,

if that tax is imposed on or calculated by reference to the net income received or receivable (but not any sum deemed to be received or receivable) by that Finance Party; or

(ii) to the extent a loss, liability or cost:

(A) is compensated for by an increased payment under Clause 18.17 (*Tax gross-up*);

(B) would have been compensated for by an increased payment under Clause 18.17 (*Tax gross-up*) but was not so compensated solely because the exclusion in paragraph (d) of Clause 18.17 (*Tax gross-up*) applied; or

(C) relates to a FATCA Deduction required to be made by a Party.

(c) A Protected Party making, or intending to make a claim under paragraph (a) shall promptly notify the Facilities Agent of the event which will give, or has given, rise to the claim, following which the Facilities Agent shall notify the Parent.

(d) A Protected Party shall, on receiving a payment from an Obligor under this Clause 18.18, notify the Facilities Agent.

18.19 Tax credit

If an Obligor makes a Tax Payment and the relevant Finance Party determines in its absolute discretion exercised in good faith that:

(a) a Tax Credit is attributable to that Tax Payment; and

(b) that Finance Party has obtained, utilised and retained that Tax Credit,

the Finance Party shall pay an amount to the Obligor which that Finance Party determines will leave it (after that payment) in the same after-tax position as it would have been in had the Tax Payment not been required to be made by the Obligor.

18.20 Tax gross-up

(a) Each Obligor must make all payments to be made by it under the Finance Documents without any Tax Deduction, unless a Tax Deduction is required by law.

(b) If an Obligor or a Lender is aware that an Obligor must make a Tax Deduction (or that there is a change in the rate or the basis of a Tax Deduction), it must promptly notify the Facilities Agent. The Facilities Agent must then promptly notify the affected Parties.

(c) Except as provided below, if a Tax Deduction is required by law to be made by an Obligor, the amount of the payment due from the Obligor will be increased to an amount which (after making the Tax Deduction) leaves an amount equal to the payment which would have been due if no Tax Deduction had been required.

(d) If an Obligor is required to make a Tax Deduction, that Obligor shall make that Tax Deduction and must make any payment required in connection with that Tax Deduction within the time allowed by law.

(e) Within 30 days of making either a Tax Deduction or a payment required in connection with a Tax Deduction, the Obligor must deliver to the Facilities Agent for the relevant Finance Party

evidence reasonably satisfactory to that Finance Party that the Tax Deduction has been made or (as applicable) the appropriate payment has been paid to the relevant taxing authority.

- (f) Where possible, each Finance Party shall, in consultation with the Company, take all reasonable steps to reduce the risk of a Tax Deduction being required by law or reduce the amount of such Tax Deduction, including, without limitation, transferring its rights and obligations under the Finance Documents to an Affiliate, changing its Facility Office or co-operating with each Obligor by using its commercially reasonable endeavours to complete any procedural formalities necessary for that Obligor to obtain authorisation to make payments without a Tax Deduction.

18.21 Tax indemnity

- (a) Except as provided below, the Company must indemnify a Finance Party against any loss or liability which that Finance Party acting reasonably determines will be or has been suffered (directly or indirectly) by that Finance Party for or on account of Tax in relation to a payment received or receivable (or any payment deemed to be received or receivable) under a Finance Document.
- (b) Paragraph (a) above does not apply to any Tax assessed on a Finance Party under the laws of the jurisdiction in which:
 - (i) that Finance Party is incorporated or, if different, the jurisdiction (or jurisdictions) in which that Finance Party is treated as resident for tax purposes or as having a permanent establishment for tax purposes; or
 - (ii) that Finance Party's Facility Office is located in respect of amounts received or receivable in that jurisdiction,

if that Tax is imposed on or calculated by reference to the net income received or receivable by that Finance Party. However, any payment deemed to be received or receivable, including any amount treated as income but not actually received by the Finance Party, such as a Tax Deduction, will not be treated as net income received or receivable for this purpose.

- (c) Paragraph (a) above does not apply to the extent a loss, liability or cost:
 - (i) is compensated for by any increased payment under Clause 18.20 (*Tax gross-up*); or
 - (ii) relates to a FATCA Deduction required to be made by a Party.
- (d) A Finance Party making, or intending to make, a claim under paragraph (a) above must promptly notify the Company of the event which will give, or has given, rise to the claim.

18.22 Tax Credit

- (a) Where any payment has been made subject to a Tax Deduction, a Finance Party agrees to use its reasonable endeavours to complete any procedural formalities necessary for the relevant Finance Party to obtain any Tax Credit available as a result of the payment being made subject to a Tax Deduction.
- (b) If an Obligor makes a Tax Payment and the relevant Finance Party determines in its absolute discretion exercised in good faith that:
 - (i) a Tax Credit is attributable either to an increased payment of which that Tax Payment forms part, or to that Tax Payment; and

- (ii) it has used and retained that Tax Credit (on a consolidated basis if relevant to the determination of its allowable credit for foreign taxes paid or accrued),

the Finance Party must pay an amount to the Obligor which that Finance Party determines will leave it (after that payment) in the same after-Tax position as it would have been if the Tax Payment had not been required to be made by the Obligor.

18.23 Stamp taxes

The Company must pay and indemnify each Finance Party against any stamp duty, registration or other similar Tax payable in connection with the entry into, performance or enforcement of any Finance Document, except for any such Tax payable in connection with the entry into a Transfer Certificate.

18.24 Value added taxes

- (a) Any amount (including costs and expenses) expressed to be payable under a Finance Document by any Party to a Finance Party which (in whole or in part) constitute the consideration for any supply for VAT purposes are deemed to be exclusive of any VAT which is chargeable on that supply, and accordingly, subject to paragraph (b) below, if VAT is or becomes chargeable on any supply made by any Finance Party to any Party under a Finance Document and such Finance Party is required to account to the relevant tax authority for the VAT, that Party must pay to such Finance Party (in addition to and at the same time as paying any other consideration for such supply) an amount equal to the amount of the VAT (and such Finance Party shall as soon as reasonably practicable provide an appropriate value added tax invoice to that Party).
- (b) If VAT is or becomes chargeable on any supply made by any Finance Party (the *Supplier*) to any other Finance Party (the *Recipient*) under a Finance Document, and any Party other than the Recipient (the *Relevant Party*) is required by the terms of any Finance Document to pay an amount equal to the consideration for that supply to the Supplier (rather than being required to reimburse or indemnify the Recipient in respect of that consideration):
 - (i) (where the Supplier is the person required to account to the relevant tax authority for the VAT) the Relevant Party must also pay to the Supplier (at the same time as paying that amount) an additional amount equal to the amount of the VAT. The Recipient must (where this paragraph (i) applies) promptly pay to the Relevant Party an amount equal to any credit or repayment the Recipient receives from the relevant tax authority which the Recipient reasonably determines relates to the VAT chargeable on that supply; and
 - (ii) (where the Recipient is the person required to account to the relevant tax authority for the VAT) the Relevant Party must promptly, following demand from the Recipient, pay to the Recipient an amount equal to the VAT chargeable on that supply but only to the extent that the Recipient reasonably determines that it is not entitled to credit or repayment from the relevant tax authority in respect of that VAT.
- (c) Where a Finance Document requires any Party to reimburse or indemnify a Finance Party for any cost or expense, that Party shall reimburse or indemnify (as the case may be) such Finance Party for the full amount of such cost or expense, including such part thereof as represents VAT, save to the extent that such Finance Party reasonably determines that it is entitled to credit or repayment in respect of such VAT from the relevant tax authority.
- (d) Any reference in this Clause 18.24 to any Party shall, at any time when such Party is treated as a member of a group or unity (or fiscal unity) for VAT purposes, include (where appropriate and unless the context otherwise requires) a reference to the person who is treated at that time as making the supply, or (as appropriate) receiving the supply, under the grouping rules (provided

for in Article 11 of Council Directive 2006/112/EC (or as implemented by the relevant member state of the European Union) or any other similar provision in any jurisdiction which is not a member state of the European Union) so that a reference to a Party shall be construed as a reference to that Party or the relevant group or unity (or fiscal unity) of which that Party is a member for VAT purposes at the relevant time or the relevant representative member (or head) of that group or unity (or fiscal unity) at the relevant time (as the case may be).

- (e) In relation to any supply made by a Finance Party to any Party under a Finance Document, if reasonably requested by such Finance Party, that Party must promptly provide such Finance Party with details of that Party's VAT registration and such other information as is reasonably requested in connection with such Finance Party's VAT reporting requirements in relation to such supply

18.25 US FATCA Withholding Tax Requirements

- (a) Each Party may make any FATCA Deduction it is required to make by FATCA, and any payment required in connection with that FATCA Deduction, and no Party shall be required to increase any payment in respect of which it makes such a FATCA Deduction or otherwise indemnify or compensate the recipient of the payment for that FATCA Deduction.
- (b) Each Party shall promptly, upon becoming aware that it must make a FATCA Deduction (or that there is any change in the rate or the basis of such FATCA Deduction) notify the Party to whom it is making the payment and, in addition, shall notify the Company, the Facilities Agent and the other Finance Parties.
- (c) Subject to paragraph (e) below, each Party shall, within ten Business Days of a reasonable request by another Party:
 - (i) confirm to that other Party whether it is:
 - (A) a FATCA Exempt Party; or
 - (B) not a FATCA Exempt Party;
 - (ii) supply to that other Party such forms, documentation and other information relating to its status under FATCA as that other Party reasonably requests for the purposes of that other Party's compliance with FATCA; and
 - (iii) supply to that other Party such forms, documentation and other information relating to its status as that other Party reasonably requests for the purposes of that other Party's compliance with any other law, regulation, or exchange of information regime.
- (d) If a Party confirms to another Party pursuant to paragraph (c)(i) above that it is a FATCA Exempt Party and it subsequently becomes aware that it is not, or has ceased to be a FATCA Exempt Party, that Party shall notify that other Party reasonably promptly.
- (e) Paragraph (c) above shall not oblige any Finance Party to do anything which would or might in its reasonable opinion constitute a breach of:
 - (i) any law or regulation;
 - (ii) any fiduciary duty; or
 - (iii) any duty of confidentiality.

- (f) If a Party fails to confirm its status or to supply forms, documentation or other information requested in accordance with paragraph (c)(i) or (c)(ii) above (including, for the avoidance of doubt, where paragraph (e) above applies), then if that Party failed to confirm whether it is (and/or remains) a FATCA Exempt Party then such Party shall be treated for the purposes of the Finance Documents as if it is not a FATCA Exempt Party until (in each case) such time as the Party in question provides the requested confirmation, forms, documentation or other information.
- (g) If a Borrower is a US Tax Obligor, or where the Facilities Agent reasonably believes that its obligations under FATCA or any other applicable law or regulation require it, each Lender shall, within ten Business Days of:
- (i) where an Original Borrower (on the 2019 Amendment Effective Date) is a US Tax Obligor and the relevant Lender is a Lender on the 2019 Amendment Effective Date, the 2019 Amendment Effective Date;
 - (ii) where a Borrower is a US Tax Obligor on a Transfer Date or on the effective date of an Increase Confirmation and the relevant Lender is:
 - (A) a New Lender, the relevant Transfer Date; or
 - (B) an Increase Lender which was not previously a Party, the effective date of the Increase Confirmation;
 - (iii) the date a new US Tax Obligor accedes as a Borrower; or
 - (iv) where the Borrower is not a US Tax Obligor, the date of a request from the Facilities Agent, supply to the Facilities Agent:
 - (v) a withholding certificate on Form W-8 or Form W-9 (or any successor form) (as applicable); or
 - (vi) any withholding statement and other documentation, authorisations, waivers and other withholding certificates as the Facilities Agent may require to certify or establish the status of such Lender under FATCA.

The Facilities Agent shall provide any withholding certificate, withholding statement, documentation, authorisations and waivers it receives from a Lender pursuant to this paragraph (g) to the Company and shall be entitled to rely on any such withholding certificate, withholding statement, documentation, authorisations and waivers provided without further verification. The Facilities Agent shall not be liable for any action taken by it under or in connection with this paragraph (g).

- (h) Each Lender agrees that if any withholding certificate, withholding statement, documentation, authorisations and waivers provided to the Facilities Agent pursuant to paragraph (f) above is or becomes materially inaccurate or incomplete, it shall promptly update such withholding certificate, withholding statement, documentation, authorisations and waivers or promptly notify the Facilities Agent in writing of its legal inability to do so. The Facilities Agent shall provide any such updated withholding certificate, withholding statement, documentation, authorisations and waivers to the Company. The Facilities Agent shall not be liable for any action taken by it under or in connection with this paragraph (h).

19. INCREASED COSTS

19.1 Increased Costs

Subject to the exceptions set out below, the Company shall, within three Business Days of demand by the Facilities Agent, pay for the account of a Finance Party the amount of any Increased Cost incurred by that Finance Party or any of its Affiliates as a result of:

- (a) the introduction of or any change in (or in the interpretation, administration or application of) any law or regulation made after the 2019 Amendment Effective Date;
- (b) compliance with any law or regulation introduced after the 2019 Amendment Effective Date;
- (c) the implementation or application of, or compliance with, Basel III or CRD IV or any other law or regulation which implements Basel III or CRD IV (whether such implementation, application or compliance is by a government, regulator, Finance Party or any of its Affiliates); or
- (d) the implementation or application of, or compliance with, the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010, as amended, and all requests, rules, guidelines or directives thereunder or issued in connection therewith, regardless of the date enacted, adopted or issued.

19.2 Claims

- (a) A Finance Party intending to make a claim for Increased Costs shall notify the Facilities Agent of the event giving rise to the claim, following which the Facilities Agent shall promptly notify the Company. Any such claim must be made on the Company within 6 months from the date on which the Finance Party becomes aware of such claim.
- (b) Each Finance Party shall, as soon as practicable after a demand by the Facilities Agent, provide a certificate confirming the amount of its Increased Costs.

19.3 Exceptions

These provisions do not apply to the extent any Increased Cost is:

- (a) attributable to a Tax governed by Clause 18 (*Taxes*);
- (b) compensated for under another Clause in this Agreement or would have been but for an exception in such Clause;
- (c) attributable to the wilful breach by the relevant Finance Party or its Affiliates of any law or regulation;
- (d) a tax on the overall net income or gains of a Finance Party or any of its Affiliates;
- (e) attributable to the implementation or application of or compliance with the “International Convergence of Capital Measurement and Capital Standards, a Revised Framework” published by the Basel Committee on Banking Supervision (*BCBS*) in June 2004 in the form existing at the 2019 Amendment Effective Date (but excluding any amendment arising out of Basel III) (*Basel II*) or any other law or regulation which implements Basel II (whether such implementation, application or compliance is by a government, regulator, Finance Party or any of its Affiliates); or

- (f) attributable to the implementation, or application of, or compliance with, any Bank Levy, or any law or regulation which implements any Bank Levy (whether such implementation, application or compliance is by a government, a regulator, or by a Finance Party or any of its Affiliates).

19.4 Further Basel III and Dodd-Frank Requirements

A Finance Party may only make a claim for Increased Costs attributable to the implementation or application of, or compliance with, Basel III or the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 if:

- (a) that Finance Party did not know about or could not reasonably be expected to have known about the relevant Increased Cost on or prior to the 2019 Amendment Effective Date or (if later) the date on which it became a Finance Party (provided that, if the Increased Cost was not fully quantifiable on or prior to such date, that Finance Party may claim that amount of the Increased Cost which was not, or could not reasonably be expected to have been, quantifiable); and
- (b) to the best of that Finance Party's knowledge, the Finance Party has claimed such costs from all investment grade borrowers in relation to committed facilities for investment grade borrowers which were entered into on or before the 2019 Amendment Effective Date and has confirmed this to the Company.

20. OTHER INDEMNITIES

20.1 Currency indemnity

- (a) The Company shall as an independent obligation, within three Business Days of demand, indemnify each Finance Party against any loss or liability which that Finance Party incurs as a consequence of:
 - (i) that Finance Party receiving an amount in respect of an Obligor's liability under the Finance Documents; or
 - (ii) that liability being converted into a claim, proof, judgment or order,in a currency other than the currency in which the amount is expressed to be payable under the relevant Finance Document.
- (b) Unless otherwise required by law, each Obligor waives any right it may have in any jurisdiction to pay any amount under the Finance Documents in a currency other than that in which it is expressed to be payable.

20.2 Other indemnities

The Company shall, within three Business Days of demand, indemnify each Finance Party against any cost, loss or liability (excluding loss of profit and amounts in respect of Margin) which that Finance Party incurs as a consequence of:

- (a) the occurrence of any Event of Default;
- (b) a failure by an Obligor to pay any amount due under a Finance Document on its due date, including any resulting from any distribution or redistribution of any amount among the Lenders under this Agreement;

- (c) a Utilisation not being made after a Utilisation Request has been delivered for that Utilisation by reason of the operation of any one or more of the provisions of this Agreement (other than by reason of negligence or default by that Finance Party alone); or
- (d) a Utilisation (or part of a Utilisation) not being prepaid in accordance with a notice of prepayment.

The Company's liability in each case includes any loss or expense on account of funds borrowed, contracted for or utilised to fund any amount payable under any Finance Document, any amount repaid or prepaid or any Utilisation.

20.3 Indemnity to the Facilities Agent

The Company shall, within three Business Days of demand, indemnify the Facilities Agent against any loss or liability incurred by the Facilities Agent (acting reasonably) as a result of:

- (a) investigating any event which it reasonably believes to be a Default provided that prior to any such investigation being commenced the Facilities Agent has consulted the Company concerning such event if the Facilities Agent, acting in good faith, considers that it can do so without prejudicing the position of the Finance Parties;
- (b) acting or relying on any notice which the Facilities Agent reasonably believes to be genuine, correct and appropriately authorised; or
- (c) instructing lawyers, accountants, tax advisers, surveyors or other professional advisers or experts as permitted under this Agreement.

21. MITIGATION BY THE FINANCE PARTIES

- (a) Each Finance Party must, in consultation with the Company, take all reasonable steps to mitigate any circumstances which arise and which result or would result in:
 - (i) any Tax Payment or Increased Costs being payable to that Finance Party;
 - (ii) that Finance Party being able to exercise any right of prepayment and/or cancellation under this Agreement by reason of any illegality; or
 - (iii) that Finance Party incurring any cost of complying with the minimum reserve requirements of the European Central Bank, including transferring its rights and obligations under the Finance Documents to an Affiliate or changing its Facility Office.
- (b) Paragraph (a) above does not in any way limit the obligations of any Obligor under the Finance Documents.
- (c) The Company must indemnify each Finance Party for all costs and expenses reasonably incurred by that Finance Party which are directly referable to the Facility as a result of any step taken by it under this Clause 21.
- (d) A Finance Party is not obliged to take any step under this Clause 21 if, in the opinion of that Finance Party (acting reasonably), to do so could reasonably be expected to be prejudicial to it.

22. COSTS AND EXPENSES

22.1 Initial costs

Subject to Clause 22.4 (*Legal fees*), the Company shall, within three Business Days of demand, pay to the Facilities Agent and the Arrangers the amount of all reasonable costs and expenses (including legal fees) reasonably incurred by them in connection with the negotiation, preparation, printing, execution and syndication of the Finance Documents.

22.2 Subsequent costs

- (a) Subject to Clause 22.4 (*Legal fees*), the Company must promptly on demand pay to the Facilities Agent the amount of all reasonable costs and expenses (including legal fees) reasonably incurred by it in connection with:
- (i) the negotiation, preparation, printing and execution of any Finance Document (other than a Transfer Certificate) executed after the 2019 Amendment Effective Date; and
 - (ii) any amendment, waiver or consent requested by or on behalf of an Obligor or an amendment required or specifically allowed by this Agreement to any Finance Document.

22.3 Enforcement costs

Subject to Clause 22.4 (*Legal fees*), the Company must promptly on demand pay to each Finance Party the amount of all costs and expenses (including legal fees) properly incurred by it in connection with the enforcement of, or the preservation of any rights under, any Finance Document.

22.4 Legal fees

The Company will only be liable to pay an amount in respect of legal fees under Clauses 22.1 (*Initial costs*) to 22.3 (*Enforcement costs*) for one law firm, and, in the case of Clauses 22.1 (*Initial costs*) and 22.2 (*Subsequent costs*), applicable foreign counsel instructed by such law firm for the purposes of obtaining legal opinions, and, in the case of Clause 22.3 (*Enforcement costs*), applicable foreign counsel instructed by such law firm for the purposes of enforcing or preserving any rights under any Finance Document, representing all of the Finance Parties together.

22.5 Acknowledgment of benefit, discount or credit

The Company acknowledges that each or any of the Facilities Agent and the Arrangers may receive a benefit, including without limitation, a discount, credit or other accommodation, from any relevant legal counsel based on the legal fees such legal counsel may receive on account of their relationship with the Facilities Agent and the Arrangers including, without limitation, fees paid pursuant to the Finance Documents.

23. GUARANTEE AND INDEMNITY

23.1 Guarantee and indemnity by the Company

- (a) The Company irrevocably and unconditionally:
- (i) guarantees to each Finance Party punctual performance by each Borrower that is its Subsidiary of all that Borrower's payment obligations under the Finance Documents;

- (ii) undertakes with each Finance Party that whenever a Borrower that is its Subsidiary does not pay any amount when due under any Finance Document, it shall immediately on demand by the Facilities Agent pay that amount as if it was the principal obligor; and
 - (iii) indemnifies each Finance Party immediately on demand against any loss or liability suffered by that Finance Party if any payment obligation guaranteed by it hereunder is or becomes unenforceable, invalid or illegal; the amount of the cost, loss or liability under this indemnity shall be equal to the amount which that Finance Party would otherwise have been entitled to recover.
- (b) The guarantee in Clause 23.1(a) is a continuing guarantee and will extend to the ultimate balance of sums payable by any of the Company's Subsidiaries under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

23.2 Guarantee and indemnity by Carnival plc

- (a) Carnival plc irrevocably and unconditionally:
- (i) guarantees to each Finance Party punctual performance by each Borrower that is its Subsidiary of all that Borrower's payment obligations under the Finance Documents;
 - (ii) undertakes with each Finance Party that whenever a Borrower that is its Subsidiary does not pay any amount when due under any Finance Document, it shall immediately on demand by the Facilities Agent pay that amount as if it was the principal obligor; and
 - (iii) indemnifies each Finance Party immediately on demand against any loss or liability suffered by that Finance Party if any payment obligation guaranteed by it hereunder is or becomes unenforceable, invalid or illegal; the amount of the cost, loss or liability under this indemnity shall be equal to the amount which that Finance Party would otherwise have been entitled to recover.
- (b) The guarantee in Clause 23.2(a) is a continuing guarantee and will extend to the ultimate balance of sums payable by any of Carnival plc's Subsidiaries under the Finance Documents, regardless of any intermediate payment or discharge in whole or in part.

23.3 Reinstatement

- (a) If any discharge, release or arrangement (whether in respect of the obligations of any Obligor or any security for those obligations or otherwise) is made in whole or in part on the basis of any payment, security or other disposition which is avoided or must be restored on insolvency, liquidation, administration or otherwise without limitation, the liability of each Guarantor under this Clause will continue as if the discharge or arrangement had not occurred.
- (b) Each Finance Party may concede or compromise any claim that any payment, security or other disposition is liable to avoidance or restoration.

23.4 Waiver of defences

The obligations of each Guarantor under this Clause 23 will not be affected by an act, omission, matter or thing which, but for this Clause, would reduce, release or prejudice any of its obligations under this Clause 23 (without limitation and whether or not known to it or any Finance Party) including:

- (a) any time, waiver or consent granted to, or composition with, any Obligor or other person;

- (b) the release of any other Obligor or any other person under the terms of any composition or arrangement with any creditor of any member of the Carnival Corporation & plc Group;
- (c) the taking, variation, compromise, exchange, renewal or release of, or refusal or neglect to perfect, take up or enforce, any rights against, or security over assets of, any Obligor or other person;
- (d) any non-presentation or non-observance of any formality or other requirement in respect of any instrument or any failure to realise the full value of any security;
- (e) any incapacity or lack of power, authority or legal personality of or dissolution or change in the members or status of an Obligor or any other person;
- (f) any amendment, supplement, extension, restatement (however fundamental and whether or not more onerous) or replacement of any Finance Document or any other document or security including without limitation any change in the purpose of, any extension of or any increase in, any facility or the addition of any new facility under any Finance Document or other document or security;
- (g) any unenforceability, illegality or invalidity of any obligation of any person under any Finance Document or any other document or security; or
- (h) any insolvency or similar proceedings.

23.5 Immediate recourse

Each Guarantor waives any right it may have of first requiring any Finance Party (or any trustee or agent on its behalf) to proceed against or enforce any other rights or security or claim payment from any person before claiming from that Guarantor under this Clause 23. This waiver applies irrespective of any law or any provision of the Finance Documents to the contrary.

23.6 Appropriations

- (a) Until all amounts which may be or become payable by any of the Company's Subsidiaries under the Finance Documents have been irrevocably paid in full, each Finance Party (or any trustee or agent on its behalf) may:
 - (i) refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party (or any trustee or agent on its behalf) in respect of those amounts; or
 - (ii) apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and the Company shall not be entitled to the benefit of the same; and
 - (iii) hold in an interest-bearing suspense account (bearing interest at market rates) any moneys received from the Company or on account of the Company's liability under this Clause 23.
- (b) Until all amounts which may be or become payable by any of Carnival plc's Subsidiaries under the Finance Documents have been irrevocably paid in full, each Finance Party (or any trustee or agent on its behalf) may:

- (i) refrain from applying or enforcing any other moneys, security or rights held or received by that Finance Party (or any trustee or agent on its behalf) in respect of those amounts; or
- (ii) apply and enforce the same in such manner and order as it sees fit (whether against those amounts or otherwise) and Carnival plc shall not be entitled to the benefit of the same; and
- (iii) hold in an interest-bearing suspense account any moneys received from Carnival plc or on account of Carnival plc's liability under this Clause 23.

23.7 Non-competition

- (a) The Company shall, until all sums whatsoever payable (or which may become payable) by any of its Subsidiaries under or in connection with the Finance Documents have been irrevocably paid in full, exercise only in accordance with the Facilities Agent's instructions:
 - (i) its rights of subrogation, contribution and indemnity against that Subsidiary;
 - (ii) its right to take the benefit of, share in or enforce any security or other guarantee or indemnity for that Subsidiary's obligations under the Finance Documents held by any of the Finance Parties;
 - (iii) its rights to prove or claim in the bankruptcy, liquidation, administration or other insolvency proceedings of that Subsidiary;
 - (iv) its rights to bring legal or other proceedings for an order requiring that Subsidiary to make any payment, or perform any obligation, in respect of which the Company has given a guarantee, undertaking or indemnity under this Clause 23; and
 - (v) its rights to exercise any right of set-off against that Subsidiary.
- (b) Any amount recovered as a result of the exercise of the rights described in paragraph (a) above shall be held on trust for the Facilities Agent on behalf of the Finance Parties and paid to the Facilities Agent for the Finance Parties on demand. The Company warrants to the Finance Parties that it has not taken any security from its Subsidiaries in relation to the Finance Documents and agrees not to do so until the Finance Parties receive all sums payable by those Subsidiaries under the Finance Documents. Any security taken by the Company in breach of this provision and all moneys at any time received in respect thereof shall be held in trust for the Finance Parties.
- (c) Carnival plc shall, until all sums whatsoever payable (or which may become payable) by any of its Subsidiaries under or in connection with the Finance Documents have been irrevocably paid in full, exercise only in accordance with the Facilities Agent's instructions:
 - (i) its rights of subrogation, contribution and indemnity against that Subsidiary;
 - (ii) its right to take the benefit of, share in or enforce any security or other guarantee or indemnity for that Subsidiary's obligations under the Finance Documents held by any of the Finance Parties;
 - (iii) its rights to prove or claim in the bankruptcy, liquidation, administration or other insolvency proceedings of that Subsidiary;

- (iv) its rights to bring legal or other proceedings for an order requiring that Subsidiary to make any payment, or perform any obligation, in respect of which Carnival plc has given a guarantee, undertaking or indemnity under this Clause 23; and
 - (v) its rights to exercise any right of set-off against that Subsidiary.
- (d) Any amount recovered as a result of the exercise of the rights described in paragraph (c) above shall be held on trust for the Facilities Agent on behalf of the Finance Parties and paid to the Facilities Agent for the Finance Parties on demand. Carnival plc warrants to the Finance Parties that it has not taken any security from its Subsidiaries in relation to the Finance Documents and agrees not to do so until the Finance Parties receive all sums payable by those Subsidiaries under the Finance Documents. Any security taken by Carnival plc in breach of this provision and all moneys at any time received in respect thereof shall be held in trust for the Finance Parties.

23.8 Additional security

Each guarantee in Clause 23.1 (*Guarantee and indemnity by the Company*) is in addition to and is not in any way prejudiced by any other guarantee or security now or subsequently held by any Finance Party.

24. REPRESENTATIONS

24.1 Representations

The representations set out in this Clause are made in accordance with Clause 24.10 (*Times for making representations*).

24.2 Status

Each Obligor is duly incorporated and validly existing under the laws of its jurisdiction of incorporation as a limited liability company, a corporation, or other legal entity and has the power to execute, deliver and perform its obligations under the Finance Documents; all necessary corporate action has been taken by each Obligor to authorise the execution, delivery and performance of, the Finance Documents to which it is or will be a party and each Finance Document to which it is a party constitutes valid and legally binding and enforceable obligations in accordance with its terms (subject to applicable bankruptcy, reorganisation, insolvency, moratorium or similar laws affecting creditors' rights generally and subject, as to enforceability, to equitable principles of general application (regardless of whether enforcement is sought in a proceeding in equity or at law)); each Obligor has the power to own its assets and carry on its business as it is being conducted where a lack of such power would have a Material Adverse Effect.

24.3 Non-conflict

The execution, delivery and performance by each Obligor of the Finance Documents will not contravene any existing law, regulation or authorisation to which that Obligor is subject, result in the breach of or default under any agreement or other instrument to which that Obligor is a party or which is binding upon that Obligor or its assets or contravene any provision of that Obligor's constitutional documents.

24.4 No default

- (a) No Default has occurred and is outstanding or will result from the execution of, or the performance of any transaction contemplated by, any Finance Document.
- (b) No Obligor nor any of its respective Subsidiaries is in default under any agreement relating to Borrowed Money to which it or any of its respective Subsidiaries is a party or by which it or

any of its respective Subsidiaries may be bound which default would have a Material Adverse Effect.

24.5 Financial statements

The Carnival Corporation & plc Group's audited financial statements most recently delivered to the Facilities Agent (which, in the case of the Carnival Corporation & plc Group at the Signing Date, are the Original Financial Statements):

- (a) have been prepared in accordance with GAAP, consistently applied; and
 - (b) fairly represent its financial condition (consolidated, if applicable) as at the date to which they were drawn up,
- except, in each case, as disclosed to the contrary in those financial statements.

24.6 No material adverse change

There has been no adverse change in the business or consolidated financial condition of the Carnival Corporation & plc Group since the date to which the Original Financial Statements were drawn up which would have a Material Adverse Effect.

24.7 Litigation

No litigation, arbitration or administrative proceedings is taking place, pending or to its knowledge, threatened against an Obligor or any Material Subsidiary, which is likely to be determined adversely to the relevant member of the Carnival Corporation & plc Group and, if so determined, would be likely to have a Material Adverse Effect.

24.8 Pari passu ranking

The obligations of each Obligor under the Finance Documents to which it is a party rank at least pari passu with all its other present unsecured and unsubordinated indebtedness with the exception of any obligations which are mandatorily preferred by law.

24.9 United States Law

- (a) In this Subclause:
 - (i) ***Anti-Terrorism Law*** means each of:
 - (A) Executive Order No. 13224 on Terrorist Financing: Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten To Commit, or Support Terrorism issued September 23, 2001, as amended by Order 13268 (as so amended, the ***Executive Order***);
 - (B) the regulations of the Office of Foreign Assets Control (***OFAC***) of the U.S. Department of Treasury, 31 C.F.R., Subtitle B, Chapter V;
 - (C) the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, Public Law 107-56 (commonly known as the USA Patriot Act) (the ***USA Patriot Act***); and
 - (D) the Money Laundering Control Act of 1986, 18 U.S.C. sect. 1956;

- (ii) **controlled** has the meaning given to it in the United States Investment Company Act of 1940;
- (iii) **investment company** has the meaning given to it in the United States Investment Company Act of 1940;
- (iv) **public utility** has the meaning given to it in the United States Federal Power Act of 1920; and
- (v) **Restricted Party** means any person listed:
 - (A) in the Annex to the Executive Order;
 - (B) on the “Specially Designated Nationals and Blocked Persons” list maintained by the OFAC; or
 - (C) in any successor list to either of the foregoing.
- (b) No Obligor which is incorporated in the United States of America or a state thereof is:
 - (i) an investment company or controlled by an investment company, or required to register as an investment company;
 - (ii) a public utility, or subject to regulation, under the United States Federal Power Act of 1920; or
 - (iii) subject to regulation under any United States Federal or State law or regulation that limits its ability to incur indebtedness.
- (c) No Obligor nor any of its respective Affiliates is, or is controlled by, a Restricted Party.
- (d) No Obligor nor any of its respective Subsidiaries, to that Obligor’s knowledge, is in breach of or is the subject of any material action or investigation under any applicable Anti-Terrorism Law.
- (e) Each Obligor and each of its respective Subsidiaries have taken reasonable measures to promote compliance with applicable Anti-Terrorism Laws.
- (f) In relation to each Finance Party which notifies the Facilities Agent to this effect (each, a **Restricted Finance Party**), until such time as the relevant Restricted Finance Party has notified the Facilities Agent that it is no longer a Restricted Finance Party, this Clause 24.9 shall only apply for the benefit of that Restricted Finance Party to the extent that the receipt and acceptance by that Restricted Finance Party of the representations and warranties in this Clause 24.9 would not result in any violation of section 7 of the German Foreign Trade Regulation (AWV) (*Außenwirtschaftsverordnung*) (in connection with section 4, paragraph 1(a) no. 3 German Foreign Trade Law (AWG) (*Außenwirtschaftsgesetz*), EU Regulation 2271/96 in conjunction with EU Regulation 2018/1100 (or any similar applicable anti-boycott law, regulation or statute, including any similar and applicable UK law, instrument or regulation created following the United Kingdom’s exit from the European Union. In connection with any amendment, waiver, determination or direction relating to any part of this Clause 24.9 of which a Restricted Finance Party does not have the benefit, the Commitments of that Restricted Finance Party shall be excluded for the purpose of determining whether the consent of the Lenders has been obtained or whether the determination or direction by the Lenders has been made.

24.10 Times for making representations

- (a) The representations set out in this Clause 24 are made by each Original Obligor on the Signing Date in respect of itself (and its respective Subsidiaries if so stated in the representation so concerned) to each Finance Party.
- (b) Unless a representation is expressed to be given at a specific date, each representation (other than Clause 24.4 (*No default*) to Clause 24.7 (*Litigation*) inclusive) is deemed to be repeated by the Company and each Borrower to each Finance Party on the date of each Utilisation Request, each Utilisation Date, the first day of each Interest Period and, in the case of an Additional Borrower, by the Additional Borrower on the day on which the Subsidiary becomes an Additional Borrower.
- (c) When a representation is repeated, it shall be made with reference to the facts and circumstances existing at the time of repetition.

25. INFORMATION UNDERTAKINGS

25.1 Financial statements

- (a) The Company must supply to the Facilities Agent (in sufficient copies for all the Lenders if the Facilities Agent so requests):
 - (i) the audited consolidated financial statements of the Carnival Corporation & plc Group for each of its financial years (which will be the Carnival Corporation 10-K as filed with the SEC);
 - (ii) the unaudited consolidated financial statements of the Carnival Corporation & plc Group for each of the first three fiscal quarters in each of its financial years (which will be the Carnival Corporation 10-Q as filed with the SEC); and
 - (iii) the registration statements and reports filed with the SEC (including the Carnival Corporation 10-K) by the Company and Carnival plc.
- (b) All financial statements must be supplied as soon as they are available and:
 - (i) in the case of the audited consolidated financial statements of the Carnival Corporation & plc Group, within 120 days;
 - (ii) in the case of unaudited quarterly financial statements of the Carnival Corporation & plc Group, within 75 days; and
 - (iii) in the case of registration statements and reports filed with the SEC, within 15 days,of the end of the relevant financial period (or in the case of paragraph (a)(iii) above, of the date of filing with the SEC in accordance with the time periods specified in the rules and regulations of the SEC).

25.2 Form of financial statements

The Company must ensure that each set of financial statements supplied under this Agreement fairly presents the financial condition (consolidated or otherwise) of the relevant person as at the date to which those financial statements were drawn up. The Company shall not be required to produce footnotes to the unaudited financial statements.

25.3 Compliance Certificate

- (a) The Company must supply to the Facilities Agent a Compliance Certificate with each set of financial statements sent to the Facilities Agent under this Agreement.
- (b) A Compliance Certificate must be signed by a senior financial officer of the Company.

25.4 Assurance Statement

- (a) The Company must supply to the Facilities Agent an Assurance Statement relating to each of its financial years ending 30 November as soon as it is available and by no later than 30 June in the following financial year. For the avoidance of doubt, the Assurance Statement delivered on or prior to 30 June in each year should relate to the Company's most recently completed financial year.
- (b) Any failure by the Company to deliver an Assurance Statement pursuant to paragraph (a) above shall only result in an increase in the applicable Margin pursuant to Clause 14.5(i) (*Margin*) and shall not result in any Default.

25.5 Information - miscellaneous

- (a) The Company must supply to the Facilities Agent (in sufficient copies for all the Lenders if the Facilities Agent so requests):
 - (i) copies of all documents despatched by the Company or Carnival plc to its creditors generally at the same time as the documents are despatched;
 - (ii) promptly on request, a list of the then current Material Subsidiaries; and
 - (iii) promptly on request, such further information regarding the financial condition and operations of the Carnival Corporation & plc Group as any Finance Party through the Facilities Agent may reasonably require except information which is confidential in relation to third parties or which the Company is prohibited from disclosing by law or by regulatory requirement.
- (b) The Company must provide written notice to the Facilities Agent of any information posted to the website identified in Clause 25.7(a)(ii) for the benefit of its shareholders, and for this purpose only the Facilities Agent agrees that it will accept such notification by email. The Company shall provide such notification as soon as practicable after the relevant information is posted to the website.

25.6 Notification of Default

The Company must notify the Facilities Agent of any Default (and the steps, if any, being taken to remedy it) promptly upon becoming aware of its occurrence.

25.7 Use of websites

- (a) Except as provided below, the Company may deliver any information under this Agreement to a Lender by posting it on to an electronic website if:
 - (i) the Facilities Agent and the Lender agree, it being understood that, subject to paragraph (b) below, the Facilities Agent and all Original Lenders provide their consent for all of the information under Clause 25.1(a) (*Financial statements*) to be so delivered;

- (ii) the Company and the Facilities Agent designate an electronic website for this purpose which, for the purpose of Clause 25.1(a) (*Financial statements*) hereof shall be www.carnivalcorp.com, until and unless the Company sends written notice to the Facilities Agent advising of a change to the details of the website;
- (iii) the Company notifies the Facilities Agent of the address of and password (if any) for the website (other than with respect to the information contemplated by Clause 25.1(a) (*Financial statements*) which shall be posted to the website identified in paragraph (ii) above); and
- (iv) the information posted is in a format agreed between the Company and the Facilities Agent.

The Facilities Agent must supply each relevant Lender with the address of and password for the website.

- (b) Notwithstanding the above, the Company must supply to the Facilities Agent in paper form a copy of any information posted on the website together with sufficient copies for:
 - (i) any Lender not agreeing to receive information via the website; and
 - (ii) within ten Business Days of request, any other Lender, if that Lender so requests.
- (c) The Company must promptly upon becoming aware of its occurrence, notify the Facilities Agent if:
 - (i) the website cannot be accessed;
 - (ii) the website or any information on the website is infected by any electronic virus or similar software;
 - (iii) the password (if any) for the website is changed; or
 - (iv) any information to be supplied under this Agreement is posted on the website or amended after being posted.

If the circumstances in paragraph (i) or (ii) above occur, the Company must supply any information required under this Agreement in paper form during the time that the website is not available.

25.8 “Know your customer” checks

- (a) The Company shall promptly upon the written request of the Facilities Agent supply, or procure the supply of, such documentation and other evidence about each Obligor and each Additional Borrower as is reasonably requested by the Facilities Agent, for itself, on behalf of any Lender or on behalf of any prospective New Lender, in order for the Facilities Agent, that Lender or prospective New Lender to carry out and be satisfied with the results of all necessary “know your customer” checks that it is required to carry out by reason of being a party to the transactions contemplated in the Finance Documents, provided that (subject to any change of law, change of regulation or a change in a Lender’s internal compliance procedures, or any change in the interpretation, administration or application thereof, that is made, in each case, in accordance with a Lender’s normal practice in respect of companies which are listed (at all times when the Company is listed) investment grade (at all times when the Company’s debt is of investment grade) and (at all times) of a comparable credit standing to the Company (other than, in each

case, on those companies first becoming a customer of that Lender), or any change in status of any Obligor after the 2019 Amendment Effective Date, that might reasonably result in further documentation or other evidence being required) the Facilities Agent may only make one such request in respect of itself, each Lender and each prospective New Lender.

- (b) Each Lender shall promptly upon the request of the Facilities Agent supply, or procure the supply of, such documentation and other evidence as is reasonably requested by the Facilities Agent (for itself) in order for the Facilities Agent to carry out and be satisfied with the results of all necessary “know your customer” checks that it is required to carry out pursuant to the transactions contemplated in the Finance Documents.

26. FINANCIAL COVENANTS

26.1 Definitions

Borrowed Money or ***moneys borrowed*** means, at any time, all borrowings of the respective members of the Carnival Corporation & plc Group whether secured or unsecured and shall be deemed to include (to the extent that the same would not otherwise fall to be taken into account):

- (a) the principal amount for the time being owing (other than to any member of the Carnival Corporation & plc Group) of all debentures (as defined in section 738 of the Companies Act 2006) notwithstanding that the same may be or have been issued in whole or in part for a consideration other than cash; except that, in the case of a debenture issued at a discount which contains provisions for prepayment or acceleration, the principal amount thereof at any relevant time shall be deemed to be the highest amount which would, if such debenture were then to be repaid in accordance with any such provision for prepayment or acceleration, be repayable in respect of the principal amount thereof;
- (b) the outstanding amount raised by the acceptance of bills (not being acceptances of trade bills in respect of the purchase or sale of goods in the ordinary course of trading) by any member of the Carnival Corporation & plc Group or by any bank or accepting house under any acceptance credit opened on behalf of any member of the Carnival Corporation & plc Group;
- (c) the fixed premium payable on final redemption or repayment of any debentures, share capital or other Borrowed Moneys falling to be taken into account;
- (d) the nominal amount of any issued share capital and the principal amount of any Borrowed Moneys, the redemption or repayment whereof is guaranteed or the subject of any indemnity or otherwise secured (and where part only is so secured to the extent so secured) by any other member of the Carnival Corporation & plc Group except insofar as either the benefit of such guarantee or indemnity or security or the beneficial interest in the right to such redemption or repayment is held by another member of the Carnival Corporation & plc Group or such nominal or principal amount is otherwise taken into account hereunder;

Provided that:

- (i) moneys borrowed by any member of the Carnival Corporation & plc Group for the purpose of repaying or redeeming (with or without premium) in whole or in part any other Borrowed Moneys falling to be taken into account and intended to be applied for such purposes within six months after the borrowing thereof and so applied shall not during such period except to the extent not so applied themselves be taken into account;

- (ii) moneys borrowed by any member of the Carnival Corporation & plc Group and owing to any other member of the Carnival Corporation & plc Group shall not (save to the extent mentioned in (iii) below) be taken into account;
- (iii) moneys borrowed by a member of the Carnival Corporation & plc Group which is a partly owned Subsidiary of the Company and not owing to the Company or another member of the Carnival Corporation & plc Group shall be taken into account subject to the exclusion of that proportion thereof as equals the minority proportion but the minority proportion of any moneys borrowed by a member of the Carnival Corporation & plc Group from a partly-owned Subsidiary (which would otherwise be excluded by virtue of (ii) above) shall be included; for these purposes minority proportion shall mean that proportion of the issued equity share capital (within the meaning of section 548 of the Companies Act 2006) of the partly-owned Subsidiary which is not attributable directly or indirectly to the Company;
- (iv) moneys borrowed by a member of the Carnival Corporation & plc Group expressed in or calculated by reference to a currency other than US Dollars shall be converted into US Dollars in the manner used in the financial statements filed by the Carnival Corporation & plc Group with the SEC;
- (v) moneys borrowed against the security of an asset in respect of which there is no recourse against any member of the Carnival Corporation & plc Group other than to that asset shall not be taken into account; and
- (vi) Excluded Indebtedness shall not be taken into account.

Capital Lease means with respect to any person, any lease of any property (whether real, personal or mixed) by such person as lessee that, in accordance with GAAP, either would be required to be classified and accounted for as a capital lease on a balance sheet of such person or otherwise be disclosed as such in a note to such balance sheet, other than, in the case of the Company and Carnival plc or a Subsidiary, any such lease under which the Company, Carnival plc or such Subsidiary is the lessor.

Consolidated Capital means, at any time, the aggregate of the Issued Capital and Consolidated Reserves of the Carnival Corporation & plc Group and all Borrowed Moneys for the time being undischarged.

Excluded Indebtedness means any Indebtedness (including Indebtedness pursuant to a U.S. leveraged lease financing including a U.S. lease to service contract under Section 7701(e) of the Internal Revenue Code of 1986 (as amended from time to time)), the payment of which is provided for by the deposit of cash, cash equivalents or letters of credit with one or more investment-grade banks or other financial institutions acting as payment undertaker, irrespective whether any such arrangements constitutes a defeasance under GAAP.

GAAP means generally accepted accounting principles in the United States.

Indebtedness means (a) any liability of any person (i) for borrowed money, or under any reimbursement obligation related to a letter of credit or bid or performance bond facility, or (ii) evidenced by a bond, note, debenture or other evidence of indebtedness (including a purchase money obligation) representing extensions of credit or given in connection with the acquisition of any business, property, service or asset of any kind, including without limitation, any liability under any commodity, interest rate or currency exchange hedge or swap agreement (other than a trade payable, other current liability arising in the ordinary course of business or commodity, interest rate or currency exchange hedge or swap agreement arising in the ordinary course of business) or (iii) for obligations with respect to (A) an operating lease, or (B) a lease of real or personal property that is or would be classified and accounted for as a Capital

Lease; (b) any liability of others either for any lease, dividend or letter of credit, or for any obligation described in the preceding Clause (a) that (i) the person has guaranteed or that is otherwise its legal liability (whether contingent or otherwise or direct or indirect, but excluding endorsements or negotiable instruments for deposit or collection in the ordinary course of business) or (ii) is secured by any Security Interest on any property or asset owned or held by that person, regardless whether the obligation secured thereby shall have been assumed by or is a personal liability of that person; and (c) any amendment, supplement, modification, deferral, renewal, extension or refunding of any liability of the types referred to in Clauses (a) and (b) above; provided however, that **Indebtedness** shall not include Excluded Indebtedness.

Issued Capital and Consolidated Reserves means at any relevant time the aggregate of:

- (a) the amount paid up or credited as paid up on the issued share capital of the Company and Carnival plc on a combined basis (for which purpose an issue or proposed issue of share capital for cash which has been unconditionally underwritten shall be deemed paid up to the extent that the underwriters are liable therefor and that such capital will be paid up within four months from the date when such underwriting liability became unconditional); and
- (b) the amounts standing to the credit of the consolidated capital and revenue reserves of the Carnival Corporation & plc Group (including any share premium account or capital redemption reserve fund) after adding thereto or deducting therefrom any balance to the credit or debit of the profit and loss account, all determined by reference to the then latest available audited consolidated balance sheet of Carnival Corporation (reflecting the Carnival Corporation & plc Group) but after:
 - (i) deducting an amount equal to any distribution declared, recommended or made by any member of the Carnival Corporation & plc Group (otherwise than attributable directly or indirectly to the Company) out of profits earned up to and including the date of such balance sheet to the extent that such distribution is not provided for in such balance sheet;
 - (ii) excluding amounts attributable to minority interests in the Company's or Carnival plc's Subsidiaries;
 - (iii) excluding any sums set aside for deferred taxation but only to the extent that the reduction in the tax charge represented thereby cannot be seen with reasonable probability to continue for the foreseeable future; and
 - (iv) deducting any amount representing any intangible assets other than goodwill arising on consolidation.

Measurement Period means any twelve month period ending on a Testing Date.

Testing Date means the last day of each financial quarter of the Carnival Corporation & plc Group.

26.2 Interpretation

- (a) Except as otherwise expressly provided herein, all terms of an accounting or financial nature shall be construed in accordance with GAAP, as in effect from time to time; provided that, if the Company notifies the Facilities Agent that the Company requests an amendment to any provision hereof to eliminate the effect of any change occurring after the Signing Date in GAAP or in the application thereof on the operation of such provision (or if the Facilities Agent notifies the Company that the Majority Lenders request an amendment to any provision hereof for such purpose), regardless of whether any such notice is given before or after such change in GAAP

or in the application thereof, then such provision shall be interpreted on the basis of GAAP as in effect and applied immediately before such change shall have become effective until such notice shall have been withdrawn or such provision amended in accordance herewith.

- (b) Any amount in a currency other than US Dollars is to be taken into account at its US Dollars equivalent calculated on the basis of the relevant rates of exchange used by the Carnival Corporation & plc Group in, or in connection with, its financial statements for that period.
- (c) No item must be credited or deducted more than once in any calculation under this Clause.

26.3 Gearing

The Company must ensure that on each Testing Date the aggregate of all Borrowed Moneys (for the time being undischarged) does not exceed 65 per cent. of Consolidated Capital at that time.

27. GENERAL UNDERTAKINGS

27.1 General

Each Obligor agrees to be bound by the covenants set out in this Clause relating to it and, where the covenant is expressed to apply to any member of the Carnival Corporation & plc Group and/or Material Subsidiaries, the Company and Carnival plc shall ensure that, in respect of each of their Subsidiaries, the relevant Carnival Corporation & plc Group member performs that covenant.

27.2 Authorisations

Each Obligor will obtain and comply with and do all that is necessary to maintain in full force and effect, and shall procure that each of its Subsidiaries obtain and comply with and do all that is necessary to maintain in full force and effect, in all material respects the terms and conditions of all authorisations, approvals, resolutions, exemptions, filings, notarisations, consents, licences and concessions material to the carrying on of its business as a member of the Carnival Corporation & plc Group, where the failure to so comply would be likely to have a Material Adverse Effect.

27.3 Negative pledge

No Obligor will create or incur, or suffer to be created or incurred or come to exist any Security Interest in respect of Indebtedness on any vessel or other of its properties or assets of any kind, real or personal, tangible or intangible, included in the consolidated balance sheet of the Carnival Corporation & plc Group in accordance with GAAP, nor shall the Company permit any member of the Carnival Corporation & plc Group to do any of the foregoing provided that solely for the purposes of this Clause 27.3 the term **Security Interest** shall not include:

- (a) any Security Interest in respect of Excluded Assets or Excluded Indebtedness;
- (b) any other Security Interest in respect of Indebtedness up to an amount not greater than 40% of the amount of the total assets of the Carnival Corporation & plc Group as shown in the Carnival Corporation & plc Group's most recent consolidated balance sheet (excluding for these purposes the value of any intangible assets); and
- (c) any Security Interest arising pursuant to clause 24 or clause 25 under the General Banking Conditions or any successor provision on any lien and on any right of set-off under the General Banking Conditions.

27.4 Insurance

The Company (for itself and its Subsidiaries) and Carnival plc (for itself and its Subsidiaries) will ensure that it, each other Obligor and each Material Subsidiary will insure all of their respective properties and assets with insurance companies to such an extent and against such risks as prudent companies engaged in businesses similar to those of the relevant company normally insure where the failure to so insure would have a Material Adverse Effect if the risk concerned were to occur.

27.5 ERISA

The Company (for itself and its Subsidiaries) and Carnival plc (for itself and its Subsidiaries) will ensure that it, each other Obligor and each Material Subsidiary will comply with all applicable provisions of ERISA and the regulations and rulings issued thereunder where failure to so comply would be likely to have a Material Adverse Effect.

27.6 Margin Stock

The Company (for itself and its Subsidiaries) and Carnival plc (for itself and its Subsidiaries) will ensure that no Borrower will use the proceeds of any Utilisation, directly or indirectly, to buy or carry Margin Stock (as defined in Regulations U and X issued by the Board of Governors of the United States Federal Reserve System) or to extend credit to others for the purposes of buying or carrying Margin Stock in any manner that might cause the borrowing or application to violate Regulations U or X. No Obligor may use any part of any Utilisation to acquire any security in violation of Section 13 or 14 of the United States Securities Exchange Act of 1934.

27.7 Use of proceeds

- (a) No Obligor will use the proceeds of the Facilities, or lend, contribute or otherwise make available such proceeds, to any Affiliate or other person for the purpose of funding any activities of or business with any Restricted Party, or in any country or territory that is subject to a general import, export, financial or investment embargo under sanctions administered by OFAC, the United Nations Security Council, the European Union, Her Majesty's Treasury, or other relevant sanctions authority (collectively, **Sanctions**), or in any other manner that will result in a violation by any person (including any person participating in the Facilities, whether as Facilities Agent, Lender or otherwise) of Sanctions.
- (b) In relation to each Restricted Finance Party, until such time as the relevant Restricted Finance Party has notified the Facilities Agent that it is no longer a Restricted Finance Party, this Clause 27.7 shall only apply for the benefit of that Restricted Finance Party to the extent that the receipt and acceptance by that Restricted Finance Party of the undertaking in this Clause 27.7 would not result in any violation of section 7 of the German Foreign Trade Regulation (AWV) (*Außenwirtschaftsverordnung*) (in connection with section 4, paragraph 1(a) no. 3 German Foreign Trade Law (AWG) (*Außenwirtschaftsgesetz*), EU Regulation 2271/96 in conjunction with EU Regulation 2018/1100 or any similar applicable anti-boycott law, regulation or statute, including any similar and applicable UK law, instrument or regulation created following the United Kingdom's exit from the European Union. In connection with any amendment, waiver, determination or direction relating to any part of this Clause 27.7 of which a Restricted Finance Party does not have the benefit, the Commitments of that Restricted Finance Party shall be excluded for the purpose of determining whether the consent of the Lenders has been obtained or whether the determination or direction by the Lenders has been made.

28. EVENTS OF DEFAULT

Each of the events set out in this Clause is an Event of Default.

28.1 Non-payment

An Obligor does not pay on the due date any amount payable by it under the Finance Documents in the manner required under the Finance Documents and such amount is not paid within five Business Days of receipt of written notice from the Facilities Agent that it has not received such sum provided that if such failure is solely the result of any bank or financial institution not promptly remitting a payment as instructed by the Obligor and if that Obligor has taken all reasonable steps to cause such payment to be made, the period for the remedy of such payment failure shall be extended by a further three Business Days.

28.2 Breach of other obligations

An Obligor defaults in the due performance or observance of any of its covenants under Clause 26 (*Financial covenants*) or any material obligations under the Finance Documents (other than non-payment of any amount payable by it under the Finance Documents on its due date), unless the non-compliance is remedied within fifteen Business Days of the Facilities Agent giving notice of the non-compliance and requesting that such default be remedied.

28.3 Misrepresentation

Any material representation or warranty made or deemed to be made or repeated by an Obligor in any Finance Document is or proves to have been incorrect in any material respect, unless the same is capable of remedy and is remedied within fifteen Business Days of the Facilities Agent giving notice of the misrepresentation.

28.4 Cross-default

Any Borrowed Money in any amount or aggregate amount at any one time, in excess of USD100,000,000 (or its equivalent in any currency) of a Carnival Material Group Member:

- (a) is not paid as and when the same is and becomes due and payable (or within any applicable grace period); or
- (b) becomes (whether by declaration or automatically in accordance with the relevant agreement or instrument constituting the same) due and payable prior to the date when it would otherwise have become due by reason of any default (however described),

provided that no Event of Default shall arise under this Clause 28.4 where the Borrowed Money in question is a Non-Recourse Financing Arrangement.

28.5 Insolvency Proceedings

- (a) An order is made or resolution passed for the winding-up or dissolution of a Carnival Material Group Member other than:
 - (i) for the purpose of an amalgamation, reorganisation, merger or reconstruction agreed to in writing by the Facilities Agent (acting on the instructions of the Majority Lenders, such agreement not to be unreasonably withheld or delayed); or
 - (ii) where such winding-up or dissolution is commenced as a result of the termination of the dual-listed combination structure between the Company and Carnival plc and where:
 - (A) the surviving entity is (I) the Company and the Company assumes all the obligations of Carnival plc under this Agreement, (II) Carnival plc and Carnival plc assumes all the obligations of the Company under this Agreement or (III) a Subsidiary of either the Company or Carnival plc (as the case may be) and such Subsidiary assumes all

the obligations of the Company or Carnival plc (as the case may be) under this Agreement; and

(B) such winding-up or dissolution is permitted under the terms of the DLC Documents; or

- (b) A Carnival Material Group Member makes or seeks to make any composition or other restructuring with its creditors generally in respect of indebtedness which it would otherwise be unable to pay or an administration or similar order is made in relation to, or an administrator or similar officer is appointed in respect of, the relevant Carnival Material Group Member.

28.6 Insolvency

A Carnival Material Group Member is deemed unable to pay its debts (within the meaning of section 123(1)(e) or (2) of the Insolvency Act 1986) or, in relation to any Carnival Material Group Member incorporated in Italy, is insolvent (within the meaning of Article 5 of the Italian Insolvency Law) or, in relation to a Borrower incorporated in The Netherlands, is declared bankrupt (*failliet verklaard*) or granted a moratorium of payments (*surséance verleend*) within the meaning of the Dutch Insolvency Law or an encumbrancer takes possession of or a receiver or person with similar powers is appointed over the whole or a substantial part of the relevant Carnival Material Group Member's assets and shall not be paid off or removed within fifteen Business Days, and no Event of Default shall arise under this Clause 28.6 where the asset or property in question is the subject a Non-Recourse Financing Arrangement.

28.7 Creditors' process

- (a) Any distress, execution or analogous event affects any substantial part of a Carnival Material Group Member (other than a Dutch Borrower) and is not removed or discharged within fifteen Business Days, and no Event of Default shall arise under this Clause 28.7 where the asset or property in question is the subject a Non-Recourse Financing Arrangement.
- (b) A Dutch executory attachment (*executorial beslag*) affects any substantial part of the assets of a Dutch Borrower.

28.8 Cessation of business

An Obligor ceases to carry on all or a substantial part of its business and such cessation of business has a Material Adverse Effect.

28.9 Effectiveness of Finance Documents

- (a) It is or becomes unlawful for an Obligor to perform any of its material obligations under the Finance Documents.
- (b) Any Finance Document is not effective or is alleged by an Obligor to be ineffective for any reason.
- (c) An Obligor repudiates a Finance Document.

28.10 United States Bankruptcy Laws

- (a) In this Subclause:

U.S. Bankruptcy Law means the United States Bankruptcy Code or any other United States Federal or State bankruptcy, insolvency or similar law.

U.S. Debtor means an Obligor that is incorporated or organised under the laws of the United States of America or any State of the United States of America (including the District of Columbia) or that has a place of business or property in the United States of America.

- (b) Subject to paragraph (c) below, any of the following occurs in respect of any U.S. Debtor which is subject to U.S. Bankruptcy Law:
- (i) it makes a general assignment for the benefit of creditors;
 - (ii) it commences a voluntary case or proceeding under any U.S. Bankruptcy Law;
 - (iii) an involuntary case under any U.S. Bankruptcy Law is commenced against it and is not controverted within 30 days or is not dismissed or stayed within 90 days after commencement of the case; or
 - (iv) an order for relief or other order approving any case or proceeding is entered under any U.S. Bankruptcy Law.
- (c) Paragraph (b) above shall not apply where an involuntary case is commenced pursuant to paragraph (b)(iii) above (an **Involuntary Bankruptcy Event**) in respect of a Borrower (other than the Company) which:
- (i) does not have any actual or contingent liabilities as a Borrower under the Finance Documents at the time the relevant Involuntary Bankruptcy Event occurs; and
 - (ii) is not a Material Subsidiary,
- and in such circumstances:
- (iii) such Borrower shall, with effect from such Involuntary Bankruptcy Event, be prevented from incurring any actual or contingent obligations as a Borrower under any of the Finance Documents; and
 - (iv) the Company undertakes to use its reasonable endeavours to procure the resignation of such Borrower as soon as reasonably practicable.

28.11 Article 2447 or 2482-ter of the Italian Civil Code

The occurrence of the circumstances set forth in Article 2447, or 2482-ter, as applicable, of the Italian Civil Code in relation to a Carnival Material Group Member incorporated in Italy unless, no later than 30 days from the date on which such Carnival Material Group Member's directors have knowledge of such occurrence, a shareholders' meeting is convened to vote on a resolution approving either: (a) a capital increase to comply with the minimum capital requirements under Italian law (and such capital increase has been fully paid up in the next following 30 days) or (b) in respect of a Carnival Material Group Member which is incorporated as a società per azioni, the transformation of such company into a società a responsabilità limitata.

28.12 Tax Status

A notice under Article 36 Tax Collection Act (*Invorderingswet 1990*) has been given by an Obligor.

28.13 Acceleration

- (a) If an Event of Default described in Clause 28.10 (*United States Bankruptcy Laws*) occurs the Total Tranche A Commitments, the Total Tranche B Commitments, the Total Tranche C Commitments and the Total Tranche D Commitments will, if not already cancelled under this Agreement, be immediately and automatically cancelled and all amounts outstanding under the Finance Documents shall become immediately due and payable without notice from the Facilities Agent, without the requirement of notice or any other formality.
- (b) If an Event of Default, other than as described in paragraph (a) above, is outstanding, the Facilities Agent may, and must if so instructed by the Majority Lenders, by notice to the Company:
 - (i) cancel all or any part of the Total Tranche A Commitments, the Total Tranche B Commitments, the Total Tranche C Commitments and/or the Total Tranche D Commitments;
 - (ii) declare that all or part of any amounts outstanding under the Finance Documents are:
 - (A) immediately due and payable; and/or
 - (B) payable on demand by the Facilities Agent acting on the instructions of the Majority Lenders; and/or
 - (iii) declare that full cash cover in respect of each Bond is immediately due and payable whereupon it shall become immediately due and payable.

Any notice given under this Subclause will take effect in accordance with its terms.

28.14 Assurance Statement Compliance

Notwithstanding the provisions of Clause 28.2 (*Breach of other obligations*) and Clause 28.3 (*Misrepresentation*) no Default shall occur as a result of a breach of the provisions of Clause 25.4 (*Assurance Statement*).

29. CHANGES TO THE LENDERS

29.1 Assignments and transfers by the Lenders

- (a) A Lender (the *Existing Lender*) may, subject to the provisions of this Clause 29, at any time assign or transfer (including by way of novation) any of its rights and obligations under this Agreement to any other bank or financial institution (the *New Lender*) provided that where the Existing Lender is a Lender under Tranche C and/or a Swingline Lender, such New Lender is able to perform that function or those functions in the same manner as the Existing Lender to the extent of the commitment transferred, and provided that such assignment or transfer shall be of an amount not less than EUR 1,000,000 or equivalent amount.
- (b) The consent of the Company is required for any assignment or transfer unless:
 - (i)
 - (A) the New Lender is another Lender or an Affiliate of a Lender; and
 - (B) following such assignment or transfer no Borrower would be obliged to pay any greater amount under Clause 18 (*Taxes*), Clause 19 (*Increased Costs*) or any other provision of a Finance Document, in the circumstances existing at the time of such assignment or transfer or which, at the time of such assignment or transfer, the

Existing Lender or the New Lender knows will apply in the 12 month period following such assignment or transfer, than would have been payable but for the assignment or transfer; or

- (ii) an Event of Default has occurred and has been outstanding for fifteen Business Days or more.
- (c) A Tranche D Lender may not assign or transfer any obligations under an outstanding Bond without the consent of the Company.
- (d) The Company may, at any time, remove or replace any Tranche D Lender (in its capacity as Tranche D Lender) without the consent of the Facilities Agent or any of the other Lenders, by notice to that Tranche D Lender and the Facilities Agent, and (in the case of a replacement) a Lender (or Lenders) with a Tranche A Commitment (other than a Non-Eligible Tranche D Lender) selected by the Company (**Replacement A Lender**). Where the Company is replacing a Tranche D Lender, the notice shall require:
 - (i) that Tranche D Lender to (and, to the extent permitted by law, that Tranche D Lender shall) transfer pursuant to Clause 29 (*Changes to the Lenders*) all (and not part only) of its rights and obligations under Tranche D to the Replacement A Lender which will assume all the obligations of that Tranche D Lender in relation to its Tranche D Commitment in accordance with Clause 29 (*Changes to the Lenders*); and
 - (ii) the Replacement A Lender to (and, to the extent permitted by law, that Replacement A Lender shall) transfer pursuant to Clause 29 (*Changes to the Lenders*) its rights and obligations under the Tranche A Commitment held by such Replacement A Lender in an amount equal to the Tranche D Lender's Tranche D Commitment (the **Transferring A Commitment**) to the Tranche D Lender which will assume all the obligations of the transferring Replacement A Lender in relation to its Transferring A Commitment in accordance with Clause 29 (*Changes to the Lenders*),

provided that the amount of the Transferring A Commitment shall not be greater than the Replacement A Lender's total Tranche A Commitment less its Swingline Tranche A Commitment.

- (e) The consent of the Company must not be unreasonably withheld or delayed to any request for consent under this Clause 29. It will not be unreasonable for the Company to withhold consent where following an assignment or transfer, a Borrower would be obliged to pay any greater amount under Clause 18 (*Taxes*), Clause 19 (*Increased Costs*) or any other provision of a Finance Document if, in the circumstances existing at the time of such assignment or transfer, such greater amount would not have been payable but for the assignment or transfer or which, at the time of such assignment or transfer, the Existing Lender or the New Lender knows will apply in the 12 month period following such assignment or transfer. The Company will be deemed to have given its consent 10 Business Days after the Company is given notice of the request unless it is expressly refused by the Company within that time.
- (f) A transfer of obligations will be effective only if either:
 - (i) the obligations are novated in accordance with the following provisions of this Clause; or
 - (ii) the New Lender confirms to the Facilities Agent and the Company in form and substance satisfactory to the Facilities Agent that it is bound by the terms of this Agreement as a Lender. On the transfer becoming effective in this manner the Existing Lender will be

released from its obligations under this Agreement to the extent that they are transferred to the New Lender.

- (g) Unless the Facilities Agent otherwise agrees, the New Lender must pay to the Facilities Agent, for its own account, on or before the date upon which an assignment or transfer takes effect, a fee of USD3,500.
- (h) Any reference in this Agreement to a Lender includes a New Lender but excludes a Lender if no amount is or may be owed to or by it under this Agreement.

29.2 Procedure for transfer

- (a) In this Subclause:

Transfer Date means, for a Transfer Certificate, the latest of:

- (a) the proposed Transfer Date specified in that Transfer Certificate;
 - (b) the date on which the Facilities Agent executes that Transfer Certificate; and
 - (c) the date on which the consent of the Company, if required under Clause 29.1(b), is obtained or is deemed to have been given.
- (b) A novation is effected if:
- (i) the Existing Lender and the New Lender deliver to the Facilities Agent a duly completed Transfer Certificate; and
 - (ii) the Facilities Agent executes it.

The Facilities Agent must execute as soon as reasonably practicable a Transfer Certificate delivered to it and which appears on its face to be in order.

- (c) The Facilities Agent shall only be obliged to execute a Transfer Certificate delivered to it by the Existing Lender and the New Lender upon its satisfactory completion of all “know your customer” checks that it is required to carry out in relation to the transfer to such New Lender.
- (d) Each Party (other than the Existing Lender and the New Lender) irrevocably authorises the Facilities Agent to execute any duly completed Transfer Certificate on its behalf. A Transfer Certificate shall not be duly completed unless any and all consents required under this Agreement have been obtained or deemed obtained.
- (e) On the Transfer Date:
 - (i) the New Lender will assume the rights and obligations of the Existing Lender expressed to be the subject of the novation in the Transfer Certificate in substitution for the Existing Lender;
 - (ii) the Existing Lender will be released from those obligations and cease to have those rights; and
 - (iii) the Lenders and the New Lender shall acquire the same rights and assume the same obligations between themselves as they would have acquired and assumed had the New Lender been an Original Lender with the rights and/or obligations acquired or assumed

by it as a result of the transfer and to that extent the Lenders and the Existing Lender shall each be released from further obligations to each other under this Agreement.

- (f) Each New Lender, by executing the relevant Transfer Certificate, further represents that it is a “professional market party” (*professionele marktpartij*), as that term is used in the Netherlands Financial Supervision Act (*wet op het financieel toezicht*).

29.3 Limitation of responsibility of Existing Lenders

- (a) Unless expressly agreed to the contrary, an Existing Lender is not responsible to a New Lender for the legality, validity, adequacy, accuracy, completeness or performance of:
- (i) any Finance Document or any other document; or
 - (ii) any statement or information (whether written or oral) made in or supplied in connection with any Finance Document, and any representations or warranties implied by law are excluded.
- (b) Each New Lender confirms to the Existing Lender and the other Finance Parties that it:
- (i) has made, and will continue to make, its own independent appraisal of all risks arising under or in connection with the Finance Documents (including the financial condition and affairs of each Obligor and its related entities and the nature and extent of any recourse against any Party or its assets) in connection with its participation in this Agreement; and
 - (ii) has not relied exclusively on any information supplied to it by the Existing Lender in connection with any Finance Document.
- (c) Nothing in any Finance Document requires an Existing Lender to:
- (i) accept a re-transfer from a New Lender of any of the rights and obligations assigned or transferred under this Clause; or
 - (ii) support any losses incurred by the New Lender by reason of the non-performance by any Obligor of its obligations under any Finance Document or otherwise.

29.4 Costs resulting from change of Lender or Facility Office

If:

- (a) a Lender assigns or transfers any of its rights and obligations under the Finance Documents or changes its Facility Office; and
- (b) as a result of circumstances existing at the date the assignment, transfer or change occurs, (or which such Lender knows will apply in the following 12 month period) an Obligor would be obliged to pay an amount under Clause 18 (*Taxes*), Clause 19 (*Increased Costs*) or any other provision of a Finance Document,

then, unless the assignment, transfer or change is made by a Lender pursuant to Clause 13.6(d) (*Involuntary prepayment and cancellation and replacement of Lender*) or in order to mitigate any circumstances giving rise to the payment of an amount under Clause 18 (*Taxes*), Clause 19 (*Increased Costs*) or any other provision of a Finance Document or a right to be prepaid and/or cancelled by reason

of illegality, the Obligor need only pay that amount under Clause 18 (*Taxes*), Clause 19 (*Increased Costs*) or any other provision of a Finance Document to the same extent that it would have been obliged to if no assignment, transfer or change had occurred, except that this Clause 29.4 shall not apply in relation to Clause 18 (*Taxes*) in the case of an Obligor to which Clauses 18.2 to 18.17 apply, to a Treaty Lender that has included a confirmation of its scheme reference number and its jurisdiction of tax residence in accordance with paragraph (j)(ii)(B) of Clause 18.3 (*Tax gross-up*) if the Obligor making the payment has not made a Borrower DTTP Filing in respect of that Treaty Lender.

29.5 Affiliates of Lenders

- (a) Without prejudice to Clause 44, each Lender may fulfil its obligations in respect of a Loan through an Affiliate if the relevant Affiliate is specified in this Agreement as a Lender or becomes a Lender by means of a Transfer Certificate in accordance with this Agreement.
- (b) If paragraph (a) above applies, the Lender and its Affiliate will be treated as having a single Tranche A Commitment, Tranche B Commitment, Tranche C Commitment and/or Tranche D Commitment, as the case may be, and a single vote, but, for all other purposes, will be treated as separate Lenders.
- (c) A Swingline Lender may only assign or transfer all or any (the ***Swingline Commitment Transfer Amount***) of its Swingline Tranche A Commitment, its Swingline Tranche B Commitment or its Swingline Tranche C Commitment to a Lender which is not its Affiliate if it or, where it does not have a Tranche A Commitment, Tranche B Commitment or Tranche C Commitment, its Affiliate, transfers simultaneously to that proposed Lender or that proposed Lender's Affiliate an amount equal to or greater than the Swingline Commitment Transfer Amount of its (or its Affiliate's) Tranche A Commitment, its (or its Affiliate's) Tranche B Commitment or its (or its Affiliate's) Tranche C Commitment, as the case may be, and in any event in accordance with the other terms of this Clause 29.

29.6 Sub-participation

A Lender may sub-participate all or any part of its rights and/or obligations under the Finance Documents or enter into any contractual arrangement with any person so that the effect thereof is to give that person an economic or other interest in that Lender's rights and/or obligations under the Finance Documents which is less than a legal or equitable transfer or assignment of those rights and obligations, provided that:

- (a) a Lender may not directly or indirectly transfer its voting rights under the Finance Documents without the consent of the Company (such consent not to be unreasonably withheld or delayed); and
- (b) following such sub-participation, no Borrower would be obliged to pay any greater amount under Clause 18 (*Taxes*), Clause 19 (*Increased Costs*) or any other provision of a Finance Document *in the circumstances existing at the time of such sub-participation or which, at the time of such sub-participation, the Lender knows will apply in the twelve (12) month period following such sub-participation*, by reason of such sub-participation.

29.7 Security over Lenders' rights

In addition to the other rights provided to Lenders under this Clause 29, each Lender may without consulting with or obtaining consent from any Obligor, at any time charge, assign or otherwise create a Security Interest in or over (whether by way of collateral or otherwise) all or any of its rights under any Finance Document to secure obligations of that Lender to a federal reserve, central bank or any

governmental department or agency, including Her Majesty's Treasury, and except that no such charge, assignment or Security Interest shall:

- (a) release a Lender from any of its obligations under the Finance Documents or substitute the beneficiary of the relevant charge, assignment or Security Interest for the Lender as a party to any of the Finance Documents; or
- (b) require any payments to be made by an Obligor other than or in excess of, or grant to any person any more extensive rights than, those required to be made or granted to the relevant Lender under the Finance Documents.

29.8 Pro rata interest settlement

- (a) If the Facilities Agent has notified the Lenders that it is able to distribute interest payments on a "pro rata basis" to Existing Lenders and New Lenders then (in respect of any transfer pursuant to Clause 29.2 (*Procedure for transfer*) the Transfer Date of which is after the date of such notification and is not on the last day of an Interest Period):
 - (i) any interest or fees in respect of the relevant participation which are expressed to accrue by reference to the lapse of time shall continue to accrue in favour of the Existing Lender up to but excluding the Transfer Date (*Accrued Amounts*) and shall become due and payable to the Existing Lender (without further interest accruing on them) on the last day of the current Interest Period (or, if the Interest Period is longer than six months, on the next of the dates which falls at six monthly intervals after the first day of that Interest Period); and
 - (ii) the rights assigned or transferred by the Existing Lender will not include the right to the Accrued Amounts so that, for the avoidance of doubt:
 - (A) when the Accrued Amounts become payable, those Accrued Amounts will be payable for the account of the Existing Lender; and
 - (B) the amount payable to the New Lender on that date will be the amount which would, but for the application of this Clause 29.8, have been payable to it on that date, but after deduction of the Accrued Amounts.
- (b) In this Clause 29.8 references to "Interest Period" shall be construed to include a reference to any other period for accrual of fees.
- (c) An Existing Lender which retains the right to the Accrued Amounts pursuant to this Clause 29.8 but which does not have a Commitment shall be deemed not to be a Lender for the purposes of ascertaining whether the agreement of any specified group of Lenders has been obtained to approve any request for a consent, waiver, amendment or other vote of Lenders under the Finance Documents.

29.9 The Register

The Facilities Agent, acting solely for this purpose as an agent of the Obligors, shall maintain at one of its offices a copy of each assignment agreement, Transfer Certificate and Increase Confirmation delivered to it and a register (the *Register*) for the recordation of the names and addresses of each Lender and the commitments of and obligations owing to each Lender. The entries in the Register shall be conclusive and each Obligor, the Facilities Agent and each Lender may treat each Person whose name is recorded in the Register as a Lender notwithstanding any notice to the contrary. The Register shall be available for inspection by each Obligor at any reasonable time and from time to time upon reasonable prior notice.

30. CHANGES TO THE OBLIGORS

30.1 Assignments and transfer by the Obligors

No Obligor may assign any of its rights or transfer any of its rights or obligations under the Finance Documents without the prior consent of the Facilities Agent (acting on the instructions of all the Lenders).

30.2 Additional Borrowers

- (a) Subject to compliance with the provisions of Clause 25.8 (*“Know your customer” checks*), the Company and/or Carnival plc may request that any of its direct or indirect majority owned Subsidiaries becomes an Additional Borrower. That Subsidiary shall become an Additional Borrower if:
- (i) the Company and/or Carnival plc delivers to the Facilities Agent a duly completed and executed Accession Letter;
 - (ii) the Facilities Agent is satisfied (acting reasonably) that the guarantee of the Company or Carnival plc under Clause 23 (*Guarantee and indemnity*) will cover the obligations of its Subsidiary;
 - (iii) the Subsidiary is incorporated in an Approved Jurisdiction;
 - (iv) the Company and/or Carnival plc confirms that no Default is outstanding or would occur as a result of that Subsidiary becoming an Additional Borrower; and
 - (v) the Facilities Agent has received all of the documents and other evidence listed in Part B of Schedule 2 (*Conditions precedent*) in relation to that Additional Borrower, each in form and substance satisfactory to the Facilities Agent.
- (b) The Facilities Agent shall notify the Company or Carnival plc as appropriate and the Lenders promptly upon being satisfied that it has received (in form and substance satisfactory to it) all the documents and other evidence listed in Part B of Schedule 2 (*Conditions precedent*).
- (c) Delivery of an Accession Letter, duly executed by the relevant Subsidiary and the Company or Carnival plc as appropriate, to the Facilities Agent constitutes confirmation by that Subsidiary that the Repeating Representations are true and correct in relation to it as at the date of delivery as if made by reference to the facts and circumstances then existing.

30.3 Resignation of a Borrower

- (a) The Company or Carnival plc may request that a Borrower (other than the Company or Carnival plc) ceases to be a Borrower by delivering to the Facilities Agent a Resignation Letter.
- (b) The Facilities Agent shall accept a Resignation Letter and notify the Company or Carnival plc, as the case may be, and the Lenders of its acceptance if:
- (i) no Default is outstanding or would result from the acceptance of the Resignation Letter (and the Company or, as the case may be, Carnival plc has confirmed this is the case in the Resignation Letter); and
 - (ii) no amount owed by that Borrower under the Finance Documents is still outstanding,

whereupon that company shall cease to be a Borrower and shall have no further rights or obligations under the Finance Documents.

- (c) In the event that a Borrower ceases to be a direct or indirect majority owned Subsidiary of the Company and/or Carnival plc, the Company or Carnival plc, as appropriate, will procure that such Borrower repays in full all amounts owed by that Borrower under the Finance Documents and that it ceases to be a Borrower under paragraph (a) above, in each case within ten Business Days of such Borrower ceasing to be a direct or indirect majority Subsidiary of the Company and/or Carnival plc.
- (d) Other than to the extent that the Majority Lenders notify the Facilities Agent in writing to the contrary before the Facilities Agent gives the notification described in paragraph (b) above, the Lenders authorise (but do not require) the Facilities Agent to give that notification. The Facilities Agent shall not be liable for any damages, costs or losses whatsoever as a result of giving any such notification.

31. ROLE OF THE FACILITIES AGENT, THE ARRANGERS AND THE REFERENCE BANKS

31.1 Appointment of the Facilities Agent

- (a) Each of the Arranger and the Lenders appoints the Facilities Agent to act as its agent under and in connection with the Finance Documents.
- (b) Each of the Arranger and the Lenders authorises the Facilities Agent to perform the duties, obligations and responsibilities and to exercise the rights, powers, authorities and discretions specifically given to the Facilities Agent under or in connection with the Finance Documents together with any other incidental rights, powers, authorities and discretions.

31.2 Instructions

- (a) The Facilities Agent shall:
 - (i) unless a contrary indication appears in a Finance Document, exercise or refrain from exercising any right, power, authority or discretion vested in it as Facilities Agent in accordance with any instructions given to it by:
 - (A) all Lenders if the relevant Finance Document stipulates the matter is an all Lender decision; and
 - (B) in all other cases, the Majority Lenders; and
 - (ii) not be liable for any act (or omission) if it acts (or refrains from acting) in accordance with paragraph (i) above.
- (b) The Facilities Agent shall be entitled to request instructions, or clarification of any instruction, from the Majority Lenders (or, if the relevant Finance Document stipulates the matter is a decision for any other Lender or group of Lenders, from that Lender or group of Lenders) as to whether, and in what manner, it should exercise or refrain from exercising any right, power, authority or discretion. The Facilities Agent may refrain from acting unless and until it receives any such instructions or clarification that it has requested.
- (c) Save in the case of decisions stipulated to be a matter for any other Lender or group of Lenders under the relevant Finance Document and unless a contrary indication appears in a Finance

Document, any instructions given to the Facilities Agent by the Majority Lenders shall override any conflicting instructions given by any other Parties and will be binding on all Finance Parties.

- (d) The Facilities Agent may refrain from acting in accordance with any instructions of any Lender or group of Lenders until it has received any indemnification and/or security that it may in its discretion require (which may be greater in extent than that contained in the Finance Documents and which may include payment in advance) for any cost, loss or liability which it may incur in complying with those instructions.
- (e) In the absence of instructions, the Facilities Agent may act (or refrain from acting) as it considers to be in the best interest of the Lenders.
- (f) The Facilities Agent is not authorised to act on behalf of a Lender (without first obtaining that Lender's consent) in any legal or arbitration proceedings relating to any Finance Document.

31.3 Duties of the Facilities Agent

- (a) The Facilities Agent's duties under the Finance Documents are solely mechanical and administrative in nature.
- (b) The Facilities Agent shall promptly forward to a Party the original or a copy of any document which is delivered to the Facilities Agent for that Party by any other Party.
- (c) Except where a Finance Document specifically provides otherwise, the Facilities Agent is not obliged to review or check the adequacy, accuracy or completeness of any document it forwards to another Party.
- (d) If the Facilities Agent receives notice from a Party referring to this Agreement, describing a Default and stating that the circumstance described is a Default, it shall promptly notify the other Finance Parties and (except where such notice is received from the Company or Carnival plc) the Company or Carnival plc.
- (e) If the Facilities Agent is aware of the non-payment of any principal, interest, commitment fee or other fee payable to a Finance Party (other than the Facilities Agent or the Arrangers) under this Agreement it shall promptly notify the other Finance Parties and the Company.
- (f) The Facilities Agent shall have only those duties, obligations and responsibilities expressly specified in the Finance Documents to which it is expressed to be a party (and no others shall be implied).
- (g) The Facilities Agent shall provide to the Company, within two Business Days of a request by the Company (but no more frequently than once per calendar month), a list (which may be in electronic form) setting out the names of the Lenders as at the date of that request, their respective Commitments, their lending office by each Tranche, the address and fax number (and the department or officer, if any, for whose attention any communication is to be made) of each Lender for any communication to be made or document to be delivered under or in connection with the Finance Documents, the electronic mail address and/or any other information required to enable the sending and receipt of information by electronic mail or other electronic means to and by each Lender to whom any communication under or in connection with the Finance Documents may be made by that means and the account details of each Lender for any payment to be distributed by the Facilities Agent to that Lender under the Finance Documents.

31.4 Role of the Arrangers

Except as specifically provided in the Finance Documents, no Arranger has any obligations of any kind to any other Party under or in connection with any Finance Document.

31.5 No fiduciary duties

- (a) Except as specifically provided for in a Finance Document, nothing in any Finance Document makes the Facilities Agent or the Arrangers a trustee or fiduciary for any other Party or any other person.
- (b) None of Facilities Agent nor any Arranger shall be bound to account to any Lender for any sum or the profit element of any sum received by it for its own account.

31.6 Business with the Carnival Corporation & plc Group

The Facilities Agent and the Arrangers may accept deposits from, lend money to and generally engage in any kind of banking or other business with any member of the Carnival Corporation & plc Group.

31.7 Rights and discretions of the Facilities Agent and each Tranche D Lender

- (a) The Facilities Agent and, without prejudice to Clause 7.2(b) (*Claims under a Bond*), each Tranche D Lender may:
 - (i) rely on any representation, communication, notice or document believed by it to be genuine, correct and appropriately authorised; and
 - (ii) assume that:
 - (A) any instructions received by it from the Majority Lenders, any Lenders or any group of Lenders are duly given in accordance with the terms of the Finance Documents; and
 - (B) unless it has received notice of revocation, that those instructions have not been revoked; and
 - (iii) rely on a certificate from any person:
 - (A) as to any matter of fact or circumstance which might reasonably be expected to be within the knowledge of that person; or
 - (B) to the effect that such person approves of any particular dealing, transaction, step, action or thing, as sufficient evidence that that is the case and, in the case of paragraph (A) above, may assume the truth and accuracy of that certificate.
- (b) The Facilities Agent may assume (unless it has received notice to the contrary in its capacity as agent for the Lenders) that:
 - (i) no Default has occurred (unless it has actual knowledge of a Default arising under Clause 28.1 (*Non-payment*));
 - (ii) any right, power, authority or discretion vested in any Party or any group of Lenders has not been exercised; and

- (iii) any notice or request made by the Company (other than a Utilisation Request) is made on behalf of and with the consent and knowledge of all the Obligors.
- (c) The Facilities Agent and each Tranche D Lender providing a Bond may engage, pay for and rely on the advice or services of any lawyers, accountants, tax advisers, surveyors or other professional advisers or experts (whether obtained by the Facilities Agent or the relevant Tranche D Lender, as applicable, or by any other Party) and shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever arising as a result of its so relying.
- (d) Without prejudice to the generality of paragraph (c) above, the Facilities Agent may at any time engage and pay for the services of any lawyer to act as independent counsel to the Facilities Agent (and so separate from any lawyers instructed by the Lenders) if the Facilities Agent in its reasonable opinion deems this to be necessary.
- (e) The Facilities Agent and each Tranche D Lender providing a Bond may act in relation to the Finance Documents through its officers, employees and agents.
- (f) Unless a Finance Document expressly provides otherwise the Facilities Agent may disclose to any other Party any information it reasonably believes it has received as agent under this Agreement.
- (g) Without prejudice to the generality of paragraph (g) above, the Facilities Agent may disclose the identity of a Defaulting Lender to the other Finance Parties and the Company and shall disclose the same upon the written request of the Company or the Majority Lenders.
- (h) Notwithstanding any other provision of any Finance Document to the contrary, neither the Facilities Agent nor any Arranger is obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation or a breach of a fiduciary duty or duty of confidentiality.
- (i) Notwithstanding any provision of any Finance Document to the contrary, the Agent is not obliged to expend or risk its own funds or otherwise incur any financial liability in the performance of its duties, obligations or responsibilities or the exercise of any right, power, authority or discretion if it has grounds for believing the repayment of such funds or adequate indemnity against, or security for, such risk or liability is not reasonably assured to it.

31.8 Responsibility for documentation

None of the Facilities Agent nor any Arranger is responsible or liable for:

- (a) the adequacy, accuracy or completeness of any information (whether oral or written) supplied by the Facilities Agent, an Arranger, an Obligor or any other person in or in connection with any Finance Document or the transactions contemplated in the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document;
- (b) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document; or
- (c) any determination as to whether any information provided or to be provided to any Finance Party is non-public information the use of which may be regulated or prohibited by applicable law or regulation relating to insider dealing or otherwise.

31.9 No duty to monitor

The Facilities Agent shall not be bound to enquire:

- (a) whether or not any Default has occurred;
- (b) as to the performance, default or any breach by any Party of its obligations under any Finance Document; or
- (c) whether any other event specified in any Finance Document has occurred.

31.10 Exclusion of liability

- (a) Without limiting paragraph (b) below (and without prejudice to any other provision of any Finance Document excluding or limiting the liability of the Facilities Agent, the Facilities Agent will not be liable for:
 - (i) any damages, costs or losses to any person, any diminution in value, or any liability whatsoever) arising as a result of taking or not taking any action under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct;
 - (ii) exercising, or not exercising, any right, power, authority or discretion given to it by, or in connection with, any Finance Document or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with, any Finance Document, other than by reason of its gross negligence or wilful misconduct; or
 - (iii) without prejudice to the generality of paragraphs (i) and (ii) above, any damages, costs or losses to any person, any diminution in value or any liability whatsoever (including, without limitation, for negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Facilities Agent) arising as a result of:
 - (A) any act, event or circumstance not reasonably within its control; or
 - (B) the general risks of investment in, or the holding of assets in, any jurisdiction,including (in each case and without limitation) such damages, costs, losses, diminution in value or liability arising as a result of: nationalisation, expropriation or other governmental actions; any regulation, currency restriction, devaluation or fluctuation; market conditions affecting the execution or settlement of transactions or the value of assets (including any Disruption Event); breakdown, failure or malfunction of any third party transport, telecommunications, computer services or systems; natural disasters or acts of God; war, terrorism, insurrection or revolution; or strikes or industrial action.
- (b) No Party (other than the Facilities Agent) may take any proceedings against any officer, employee or agent of the Facilities Agent in respect of any claim it might have against the Facilities Agent or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document and any officer, employee or agent of the Facilities Agent may rely on this Clause and enforce its terms under the Third Parties Act.
- (c) The Facilities Agent will not be liable for any delay (or any related consequences) in crediting an account with an amount required under the Finance Documents to be paid by the Facilities Agent if the Facilities Agent has taken all necessary steps as soon as reasonably practicable to

comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Facilities Agent for that purpose.

- (d) Nothing in this Agreement shall oblige the Facilities Agent or the Arrangers to carry out:
- (i) any “know your customer” or other checks in relation to any person; or
 - (ii) any check on the extent to which any transaction contemplated by this Agreement might be unlawful for any Lender or for any Affiliate of any Lender,

on behalf of any Lender and each Lender confirms to the Facilities Agent and the Arrangers that it is solely responsible for any such checks it is required to carry out and that it may not rely on any statement in relation to such checks made by the Facilities Agent or the Arrangers.

- (b) Without prejudice to any provision of any Finance Document excluding or limiting the Agent's liability, any liability of the Facilities Agent arising under or in connection with any Finance Document shall be limited to the amount of actual loss which has been suffered (as determined by reference to the date of default of the Facilities Agent or, if later, the date on which the loss arises as a result of such default) but without reference to any special conditions or circumstances known to the Facilities Agent at any time which increase the amount of that loss. In no event shall the Facilities Agent be liable for any loss of profits, goodwill, reputation, business opportunity or anticipated saving, or for special, punitive, indirect or consequential damages, whether or not the Facilities Agent has been advised of the possibility of such loss or damages.

31.11 Lenders' indemnity to the Facilities Agent

Each Lender shall (in proportion to its share of the Total Commitments or, if the Total Commitments are then zero, to its share of the Total Commitments immediately prior to their reduction to zero) indemnify the Facilities Agent, within three Business Days of demand, against any cost, loss or liability (including, without limitation, for negligence or any other category of liability whatsoever) incurred by the Facilities Agent (otherwise than by reason of the Facilities Agent's gross negligence or wilful misconduct) (or, in the case of any cost, loss or liability pursuant to Clause 34.11 (*Disruption to Payment Systems etc.*) notwithstanding the Facilities Agent's negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Facilities Agent) in acting as Facilities Agent under the Finance Documents (unless the Facilities Agent has been reimbursed by an Obligor pursuant to a Finance Document).

31.12 Resignation of the Facilities Agent

- (a) The Facilities Agent may resign and appoint one of its Affiliates as successor by giving notice to the other Lenders and the Company.
- (b) Alternatively the Facilities Agent may resign by giving notice to the Lenders and the Company, in which case the Majority Lenders may after consultation with the Company appoint a successor Facilities Agent.
- (c) If the Majority Lenders have not appointed a successor Facilities Agent in accordance with paragraph (b) above within 30 days after notice of resignation was given, the retiring Facilities Agent may after consultation with the Company appoint a successor Facilities Agent.
- (d) If the Facilities Agent wishes to resign because (acting reasonably) it has concluded that it is no longer appropriate for it to remain as agent and the Facilities Agent is entitled to appoint a successor Facilities Agent under paragraph (c) above, the Facilities Agent may (if it concludes (acting reasonably) that it is necessary to do so in order to persuade the proposed successor

Facilities Agent to become a party to this Agreement as Facilities Agent) agree with the proposed successor Facilities Agent amendments to this Clause 31 and any other term of this Agreement dealing with the rights or obligations of the Facilities Agent consistent with then current market practice for the appointment and protection of corporates trustees together with any reasonable amendments to the agency fee payable under this Agreement which are consistent with the successor Facilities Agent's normal fee rates and those amendments will bind the Parties.

- (e) After consultation with the Company, the Majority Lenders may, by notice to the Facilities Agent, require it to resign in accordance with paragraph (b) above. In this event, the Facilities Agent shall resign in accordance with paragraph (b) above.
- (f) The Facilities Agent shall resign in accordance with paragraph (b) above (and, to the extent applicable, shall use reasonable endeavours to appoint a successor Facilities Agent pursuant to paragraph (c) above) if on or after the date which is three months before the earliest FATCA Application Date relating to any payment to the Facilities Agent under the Finance Documents, either:
 - (i) the Facilities Agent fails to respond to a request under Clause 18.9(e) (*Taxes*) or 18.25 (*US FATCA Withholding Tax Requirements*) and the Company or a Lender reasonably believes that the Facilities Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;
 - (ii) the information supplied by the Facilities Agent pursuant to Clause 18.9(e) (*Taxes*) or 18.25 (*US FATCA Withholding Tax Requirements*) indicates that the Facilities Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date; or
 - (iii) the Facilities Agent notifies the Company and the Lenders that the Facilities Agent will not be (or will have ceased to be) a FATCA Exempt Party on or after that FATCA Application Date;

and (in each case) the Company or a Lender reasonably believes that a Party will be required to make a FATCA Deduction that would not be required if the Facilities Agent were a FATCA Exempt Party, and the Company or that Lender, by notice to the Facilities Agent, requires it to resign.

- (g) The retiring Facilities Agent shall, make available to the successor Facilities Agent such documents and records and provide such assistance as the successor Facilities Agent may reasonably request for the purposes of performing its functions as Facilities Agent under the Finance Documents. The Company shall, within three Business Days of demand, reimburse the retiring Facilities Agent for the amount of all costs and expenses (including legal fees) properly incurred by it in making available such documents and records and providing such assistance.
- (h) The Facilities Agent's resignation notice shall only take effect upon the appointment of a successor.
- (i) Upon the appointment of a successor, the retiring Facilities Agent shall be discharged from any further obligation in respect of the Finance Documents (other than its obligations under paragraph (e) above) but shall remain entitled to the benefit of Clause 20.3 (*Indemnity to the Facilities Agent*) and this Clause 31 (and any agency fees for the account of the retiring Facilities Agent shall cease to accrue from (and shall be payable on) that date. Its successor and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

31.13 Replacement of the Facilities Agent

- (a) The Majority Lenders may with the Company's consent (not to be unreasonably withheld or delayed), by giving 30 days' notice to the Facilities Agent (or, at any time the Facilities Agent is an Impaired Agent, by giving any shorter notice determined by the Majority Lenders) replace the Facilities Agent by appointing a successor Facilities Agent.
- (b) The retiring Facilities Agent shall (at its own cost if it is an Impaired Agent and otherwise at the expense of the Company) make available to the successor Facilities Agent such documents and records and provide such assistance as the successor Facilities Agent may reasonably request for the purposes of performing its functions as Facilities Agent under the Finance Documents. The Company shall, within five Business Days of demand, reimburse the retiring Facilities Agent for the amount of all reasonable costs and expenses (including legal fees) properly incurred by it in making available such documents and records and providing such assistance.
- (c) The appointment of the successor Facilities Agent shall take effect on the date specified in the notice from the Majority Lenders to the retiring Facilities Agent. As from this date, the retiring Facilities Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of Clause 20.3 (*Indemnity to the Facilities Agent*) and this Clause 31 (and any agency fees for the account of the retiring Facilities Agent shall cease to accrue from (and shall be payable on) that date).
- (d) Any successor Facilities Agent and each of the other Parties shall have the same rights and obligations amongst themselves as they would have had if such successor had been an original Party.

31.14 Confidentiality

- (a) In acting as agent for the Finance Parties, the Facilities Agent shall be regarded as acting through its agency division which shall be treated as a separate entity from any other of its divisions or departments.
- (b) If information is received by another division or department of the Facilities Agent, it may be treated as confidential to that division or department and the Facilities Agent shall not be deemed to have notice of it.
- (c) Notwithstanding any other provision of any Finance Document to the contrary, neither the Facilities Agent nor any Arranger is obliged to disclose to any other person (i) any confidential information or (ii) any other information if the disclosure would or might in its reasonable opinion constitute a breach of any law or a breach of a fiduciary duty.

31.15 Relationship with the Lenders

- (a) The Facilities Agent may treat the person shown in its records as Lender at the opening of business (in the place of the Facilities Agent's principal office as notified to the Finance Parties from time to time) as the Lender acting through its Facility Office:
 - (i) entitled to or liable for any payment due under any Finance Document on that day; and
 - (ii) entitled to receive and act upon any notice, request, document or communication or make any decision or determination under any Finance Document made or delivered on that day,

unless it has received not less than five Business Days prior notice from that Lender to the contrary in accordance with the terms of this Agreement.

- (b) Any Lender may by notice to the Facilities Agent appoint a person to receive on its behalf all notices, communications, information and documents to be made or despatched to that Lender under the Finance Documents. Such notice shall contain the address, fax number and (where communication by electronic mail or other electronic means is permitted under Clause 37.6 (*Electronic communication*)) electronic mail address and/or any other information required to enable the transmission of information by that means (and, in each case, the department or officer, if any, for whose attention communication is to be made) and be treated as a notification of a substitute address, fax number, electronic mail address (or such other information), department and officer by that Lender for the purposes of Clause 37.2 (*Addresses*) and paragraph (a)(ii) of Clause 37.6 (*Electronic communication*) and the Facilities Agent shall be entitled to treat such person as the person entitled to receive all such notices, communications, information and documents as though that person were that Lender.

31.16 Credit appraisal by the Lenders

Without affecting the responsibility of any Obligor for information supplied by it or on its behalf in connection with any Finance Document, each Lender confirms to the Facilities Agent and each Arranger that it has been, and will continue to be, solely responsible for making its own independent appraisal and investigation of all risks arising under or in connection with any Finance Document including but not limited to:

- (i) the financial condition, status and nature of each member of the Carnival Corporation & plc Group;
- (ii) the legality, validity, effectiveness, adequacy or enforceability of any Finance Document and any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document;
- (iii) whether that Lender has recourse, and the nature and extent of that recourse, against any Party or any of its respective assets under or in connection with any Finance Document, the transactions contemplated by the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document; and
- (iv) the adequacy, accuracy and/or completeness of any information provided by the Facilities Agent, any Party or by any other person under or in connection with any Finance Document, the transactions contemplated by the Finance Documents or any other agreement, arrangement or document entered into, made or executed in anticipation of, under or in connection with any Finance Document.

31.17 Deduction from amounts payable by the Facilities Agent

If a Lender owes an amount to the Facilities Agent under the Finance Documents the Facilities Agent may, after giving notice to that Lender, deduct an amount not exceeding that amount from any payment to that Lender which the Facilities Agent would otherwise be obliged to make under the Finance Documents and apply the amount deducted in or towards satisfaction of the amount owed. For the purposes of the Finance Documents that Lender shall be regarded as having received any amount so deducted.

31.18 Role of Reference Banks

- (a) No Reference Bank is under any obligation to provide a quotation or any other information to the Agent.
- (b) No Reference Bank will be liable for any action taken by it under or in connection with any Finance Document, or for any Reference Bank Quotation, unless directly caused by its gross negligence or wilful misconduct.
- (c) No Party (other than the relevant Reference Bank) may take any proceedings against any officer, employee or agent of any Reference Bank in respect of any claim it might have against that Reference Bank or in respect of any act or omission of any kind by that officer, employee or agent in relation to any Finance Document, or to any Reference Bank Quotation, and any officer, employee or agent of each Reference Bank may rely on this Clause 31.18 subject to Clause 1.2(d) and the provisions of the Third Parties Act.

31.19 Third Party Reference Banks

A Reference Bank which is not a Party may rely on Clause 31.18 (*Role of Reference Banks*), Clause 41.3 (*Other exceptions*) and Clause 43 (*Confidentiality of Funding Rates and Reference Bank Quotations*) subject to Clause 1.2(d) and the provisions of the Third Parties Act.

32. CONDUCT OF BUSINESS BY THE FINANCE PARTIES

No provision of this Agreement will:

- (d) interfere with the right of any Finance Party to arrange its affairs (tax or otherwise) in whatever manner it thinks fit;
- (e) oblige any Finance Party to investigate or claim any credit, relief, remission or repayment available to it or the extent, order and manner of any claim; or
- (f) oblige any Finance Party to disclose any information relating to its affairs (tax or otherwise) or any computations in respect of Tax.

33. SHARING AMONG THE FINANCE PARTIES

33.1 Payments to Finance Parties

- (a) Subject to paragraph (b) below, if a Finance Party (a ***Recovering Finance Party***) receives or recovers any amount from an Obligor other than in accordance with Clause 34 (*Payment mechanics*) (a ***Recovered Amount***) and applies that amount to a payment due under the Finance Documents then:
 - (i) the Recovering Finance Party shall, within three Business Days, notify details of the receipt or recovery, to the Facilities Agent;
 - (ii) the Facilities Agent shall determine whether the receipt or recovery is in excess of the amount the Recovering Finance Party would have been paid had the receipt or recovery been received or made by the Facilities Agent and distributed in accordance with Clause 34 (*Payment mechanics*), without taking account of any Tax which would be imposed on the Facilities Agent in relation to the receipt, recovery or distribution; and
 - (iii) the Recovering Finance Party shall, within three Business Days of demand by the Facilities Agent, pay to the Facilities Agent an amount (the ***Sharing Payment***) equal to such receipt or recovery less any amount which the Facilities Agent determines may be

retained by the Recovering Finance Party as its share of any payment to be made, in accordance with Clause 34.5 (*Partial payments*).

- (b) Paragraph (a) above shall not apply to any amount received or recovered by a Tranche D Lender in respect of any cash cover placed in an account with that Tranche D Lender.

33.2 Redistribution of payments

The Facilities Agent shall treat the Sharing Payment as if it had been paid by the relevant Obligor and distribute it between the Finance Parties (other than the Recovering Finance Party) (the *Sharing Finance Parties*) in accordance with Clause 34.5 (*Partial payments*) towards the obligations of that Obligor to the Sharing Finance Parties.

33.3 Recovering Finance Party's rights

On a distribution by the Facilities Agent under Clause 33.2 (*Redistribution of payments*) of a payment received by a Recovering Finance Party from an Obligor, as between the relevant Obligor and the Recovering Finance Party, an amount of the Recovered Amount equal to the Sharing Payment will be treated as not having been paid by that Obligor.

33.4 Reversal of redistribution

If any part of the Sharing Payment received or recovered by a Recovering Finance Party becomes repayable and is repaid by that Recovering Finance Party, then:

- (a) each Sharing Finance Party shall, upon request of the Facilities Agent, pay to the Facilities Agent for account of that Recovering Finance Party an amount equal to the appropriate part of its share of the Sharing Payment (together with an amount as is necessary to reimburse that Recovering Finance Party for its proportion of any interest on the Sharing Payment which that Recovering Finance Party is required to pay) (the *Redistributed Amount*); and
- (b) as between the relevant Obligor and each relevant Sharing Finance Party, an amount equal to the relevant Redistributed Amount will be treated as not having been paid by that Obligor.

33.5 Exceptions

- (a) This Clause 33 shall not apply to the extent that the Recovering Finance Party would not, after making any payment pursuant to this Clause, have a valid and enforceable claim against the relevant Obligor.
- (b) A Recovering Finance Party is not obliged to share with any other Finance Party any amount which the Recovering Finance Party has received or recovered as a result of taking legal or arbitration proceedings, if:
 - (i) it notified that other Finance Party of the legal or arbitration proceedings; and
 - (ii) that other Finance Party had an opportunity to participate in those legal or arbitration proceedings but did not do so as soon as reasonably practicable having received notice and did not take separate legal or arbitration proceedings.

33.6 Tranche D Lenders

- (a) This Clause 33 shall not apply to any receipt or recovery by a Lender in its capacity as a Tranche D Lender in relation to a Bond at any time prior to service of notice under Clause 28.13 (*Acceleration*).
- (b) Following service of notice under Clause 28.13 (*Acceleration*), this Clause 33 shall apply to all receipts or recoveries by Tranche D Lenders.

34. PAYMENT MECHANICS

34.1 Payments to the Facilities Agent

- (a) On each date on which an Obligor or a Lender is required to make a payment under a Finance Document, that Obligor or Lender shall make the same available to the Facilities Agent (unless a contrary indication appears in a Finance Document) for value on the due date at the time and in such funds specified by the Facilities Agent as being customary at the time for settlement of transactions in the relevant currency in the place of payment.
- (b) Payment shall be made to such account in the principal financial centre of the country of that currency (or, in relation to euro, in a principal financial centre in a Participating Member State or London) with such bank as the Facilities Agent specifies by not less than five Business Days prior written notice.

34.2 Distributions by the Facilities Agent

Each payment received by the Facilities Agent under the Finance Documents for another Party shall, subject to Clause 34.3 (*Distributions to an Obligor*) and Clause 34.4 (*Clawback and pre-funding*) be made available by the Facilities Agent as soon as practicable after receipt to the Party entitled to receive payment in accordance with this Agreement (in the case of a Lender, for the account of its Facility Office), to such account as that Party may notify to the Facilities Agent by not less than five Business Days' notice with a bank specified by that Party in the principal financial centre of the country of that currency (or, in relation to euro, in the principal financial centre of a Participating Member State or London).

34.3 Distributions to an Obligor

The Facilities Agent may (with the consent of the Obligor or in accordance with Clause 35 (*Set-off*)) apply any amount received by it for that Obligor in or towards payment (on the date and in the currency and funds of receipt) of any amount due from that Obligor under the Finance Documents or in or towards purchase of any amount of any currency to be so applied.

34.4 Clawback and pre-funding

- (a) Where a sum is to be paid to the Facilities Agent under the Finance Documents for another Party, the Facilities Agent is not obliged to pay that sum to that other Party (or to enter into or perform any related exchange contract) until it has been able to establish to its satisfaction that it has actually received that sum.
- (b) Unless paragraph (c) below applies, if the Facilities Agent pays an amount to another Party and it proves to be the case that the Facilities Agent had not actually received that amount, then the Party to whom that amount (or the proceeds of any related exchange contract) was paid by the Facilities Agent shall on demand refund the same to the Facilities Agent together with interest on that amount from the date of payment to the date of receipt by the Facilities Agent, calculated by the Facilities Agent to reflect its cost of funds.

- (c) If the Facilities Agent has notified the Lenders that it is willing to make available amounts for the account of a Borrower before receiving funds from the Lenders then if and to the extent that the Facilities Agent does so but it proves to be the case that it does not then receive funds from a Lender in respect of a sum which it paid to a Borrower:
 - (i) the Agent shall notify the Company of that Lender's identity and the Borrower to whom that sum was made available shall on demand refund it to the Facilities Agent; and
 - (ii) the Lender by whom those funds should have been made available or, if that Lender fails to do so, the Borrower to whom that sum was made available, shall on demand pay to the Facilities Agent the amount (as certified by the Facilities Agent) which will indemnify the Facilities Agent against any funding cost incurred by it as a result of paying out that sum before receiving those funds from that Lender

34.5 Impaired Agent

- (a) If, at any time, the Facilities Agent becomes an Impaired Agent, an Obligor or a Lender which is required to make a payment under the Finance Documents to the Facilities Agent in accordance with Clause 34.1 (*Payments to the Facilities Agent*) may instead either pay that amount direct to the required recipient(s) or if in its absolute discretion it considers that it is not reasonably practicable to pay that amount direct to the required recipient(s) pay that amount to an interest-bearing account held with an Acceptable Bank and in relation to which no Insolvency Event has occurred and is outstanding, in the name of the Obligor or the Lender making the payment (the **Paying Party**) and designated as a trust account for the benefit of the Party or Parties beneficially entitled to that payment under the Finance Documents (the **Recipient Party** or **Recipient Parties**). In each case such payments must be made on the due date for payment under the Finance Documents.
- (b) All interest accrued on the amount standing to the credit of the trust account shall be for the benefit of the beneficiaries of that trust account *pro rata* to their respective entitlements.
- (c) A Party which has made a payment in accordance with this Clause 34.5 shall be discharged of the relevant payment obligation under the Finance Documents and shall not take any credit risk with respect to the amounts standing to the credit of the trust account.
- (d) Promptly upon the appointment of a successor Facilities Agent in accordance with Clause 31.13 (*Replacement of the Facilities Agent*), each Party which has made a payment to a trust account in accordance with this Clause 34.5 shall give all requisite instructions to the bank with whom the trust account is held to transfer the amount (together with any accrued interest) to the successor Facilities Agent for distribution in accordance with Clause 34.2 (*Distributions by the Facilities Agent*).
- (e) A Paying Party shall, promptly upon request by a Recipient Party and to the extent:
 - (i) that it has not given an instruction pursuant to paragraph (d) above; and
 - (ii) that it has been provided with the necessary information by that Recipient Party,give all requisite instructions to the bank with whom the trust account is held to transfer the relevant amount (together with any accrued interest) to that Recipient Party.

34.6 Partial payments

- (a) Subject to Clause 9.11 (*Partial payments – Swingline Facilities*), if the Facilities Agent receives a payment that is insufficient to discharge all the amounts then due and payable by an Obligor under the Finance Documents, the Facilities Agent shall apply that payment towards the obligations of that Obligor under the Finance Documents in the following order:
- (i) **first**, in or towards payment pro rata of any unpaid amounts owing to the Facilities Agent and any Tranche D Lender which has issued a Bond under the Finance Documents;
 - (ii) **secondly**, in or towards payment pro rata of any accrued interest, fee or commission due but unpaid under this Agreement;
 - (iii) **thirdly**, in or towards payment pro rata of any principal due but unpaid under this Agreement and any amount due but unpaid under Clause 7.3 (*Indemnities*) or Clause 9.4 (*Indemnities*); and
 - (iv) **fourthly**, in or towards payment pro rata of any other sum due but unpaid under the Finance Documents.
- (b) The Facilities Agent shall, if so directed by the Majority Lenders, vary the order set out in paragraphs (a)(ii) to (a)(iv) above.
- (c) Paragraphs (a) and (b) above will override any appropriation made by an Obligor.

34.7 No set-off by Obligors

All payments to be made by an Obligor under the Finance Documents shall be calculated and be made without (and free and clear of any deduction for) set-off or counterclaim.

34.8 Business Days

- (a) Any payment under any Finance Document which is due to be made on a day that is not a Business Day shall be made on the next Business Day in the same calendar month (if there is one) or the preceding Business Day (if there is not).
- (b) During any extension of the due date for payment of any principal or Unpaid Sum under this Agreement interest is payable on the principal or Unpaid Sum at the rate payable on the original due date.

34.9 Currency of account

- (a) Subject to paragraphs (b) to (e) below, in respect of each Tranche, the Base Currency for that Tranche is the currency of account and payment for any sum due from an Obligor under any Finance Document.
- (b) A repayment of a Utilisation or Unpaid Sum or a part of a Utilisation or Unpaid Sum shall be made in the currency in which that Utilisation or Unpaid Sum is denominated, pursuant to this Agreement, on its due date.
- (c) Each payment of interest shall be made in the currency in which the sum in respect of which the interest is payable was denominated, pursuant to this Agreement, when that interest accrued.
- (d) Each payment in respect of costs, expenses or Taxes shall be made in the currency in which the costs, expenses or Taxes are incurred.

- (e) Any amount expressed to be payable in a currency shall be paid in that other currency.

34.10 Change of currency

- (a) Unless otherwise prohibited by law, if more than one currency or currency unit are at the same time recognised by the central bank of any country as the lawful currency of that country, then:
 - (i) any reference in the Finance Documents to, and any obligations arising under the Finance Documents in, the currency of that country shall be translated into, or paid in, the currency or currency unit of that country designated by the Facilities Agent (after consultation with the Company); and
 - (ii) any translation from one currency or currency unit to another shall be at the official rate of exchange recognised by the central bank for the conversion of that currency or currency unit into the other, rounded up or down by the Facilities Agent (acting reasonably).
- (b) If a change in any currency of a country occurs, this Agreement will, to the extent the Facilities Agent (acting reasonably and after consultation with the Company) specifies to be necessary, be amended to comply with any generally accepted conventions and market practice in the Relevant Market and otherwise to reflect the change in currency.

34.11 Disruption to Payment Systems etc.

If either the Facilities Agent determines (in its discretion) that a Disruption Event has occurred or the Facilities Agent is notified by the Company that a Disruption Event has occurred:

- (a) the Facilities Agent may, and shall if requested to do so by the Company, consult with the Company with a view to agreeing with the Company such changes to the operation or administration of the Facilities as the Facilities Agent may deem necessary in the circumstances;
- (b) the Facilities Agent shall not be obliged to consult with the Company in relation to any changes mentioned in paragraph (a) if, in its opinion, it is not practicable to do so in the circumstances and, in any event, shall have no obligation to agree to such changes;
- (c) the Facilities Agent may consult with the Finance Parties in relation to any changes mentioned in paragraph (a) but shall not be obliged to do so if, in its opinion, it is not practicable to do so in the circumstances;
- (d) any such changes agreed upon by the Facilities Agent and the Company shall (whether or not it is finally determined that a Disruption Event has occurred) be binding upon the Parties as an amendment to (or, as the case may be, waiver of) the terms of the Finance Documents notwithstanding the provisions of Clause 41 (*Amendments and Waivers*);
- (e) the Facilities Agent shall not be liable for any damages, costs or losses to any person, any diminution in value or any liability whatsoever (including, without limitation for negligence, gross negligence or any other category of liability whatsoever but not including any claim based on the fraud of the Facilities Agent) arising as a result of its taking, or failing to take, any actions pursuant to or in connection with this Clause 34.11; and
- (f) the Facilities Agent shall notify the Finance Parties of all changes agreed pursuant to paragraph (d) above.

35. CONTRACTUAL RECOGNITION OF BAIL-IN

(a) In this Clause 35:

"Article 55 BRRD" means Article 55 of Directive 2014/59/EU establishing a framework for the recovery and resolution of credit institutions and investment firms.

"Bail-In Action" means the exercise of any Write-down and Conversion Powers.

"Bail-In Legislation" means:

- (i) in relation to an EEA Member Country which has implemented, or which at any time implements, Article 55 BRRD, the relevant implementing law or regulation as described in the EU Bail-In Legislation Schedule from time to time ;and
- (ii) in relation to any state other than such an EEA Member Country or (to the extent that the United Kingdom is not such an EEA Member Country) the United Kingdom, any analogous law or regulation from time to time which requires contractual recognition of any Write-down and Conversion Powers contained in that law or regulation.

"EEA Member Country" means any member state of the European Union, Iceland, Liechtenstein and Norway.

"EU Bail-In Legislation Schedule" means the document described as such and published by the Loan Market Association (or any successor person) from time to time.

"Resolution Authority" means any body which has authority to exercise any Write-down and Conversion Powers.

"UK Bail-In Legislation" means (to the extent that the United Kingdom is not an EEA Member Country which has implemented, or implements, Article 55 BRRD) Part I of the United Kingdom Banking Act 2009 and any other law or regulation applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (otherwise than through liquidation, administration or other insolvency proceedings).

"Write-down and Conversion Powers" means:

- (i) in relation to any Bail-In Legislation described in the EU Bail-In Legislation Schedule from time to time, the powers described as such in relation to that Bail-In Legislation in the EU Bail-In Legislation Schedule;
- (ii) in relation to any other applicable Bail-In Legislation:
 - (A) any powers under that Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that

liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers; and

(B) any similar or analogous powers under that Bail-In Legislation; and

(iii) in relation to any UK Bail-In Legislation:

(A) any powers under that UK Bail-In Legislation to cancel, transfer or dilute shares issued by a person that is a bank or investment firm or other financial institution or affiliate of a bank, investment firm or other financial institution, to cancel, reduce, modify or change the form of a liability of such a person or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that UK Bail-In Legislation that are related to or ancillary to any of those powers; and

(B) any similar or analogous powers under that UK Bail-In Legislation.

(b) Notwithstanding any other term of any Finance Document or any other agreement, arrangement or understanding between the Parties, each Party acknowledges and accepts that any liability of any Party to any other Party under or in connection with the Finance Documents may be subject to Bail-In Action by the relevant Resolution Authority and acknowledges and accepts to be bound by the effect of:

(i) any Bail-In Action in relation to any such liability, including (without limitation):

(A) a reduction, in full or in part, in the principal amount, or outstanding amount due (including any accrued but unpaid interest) in respect of any such liability;

(B) a conversion of all, or part of, any such liability into shares or other instruments of ownership that may be issued to, or conferred on, it; and

(C) a cancellation of any such liability; and

(ii) a variation of any term of any Finance Document to the extent necessary to give effect to any Bail-In Action in relation to any such liability.

36. SET-OFF

- (a) If an Event of Default has occurred and is outstanding, a Finance Party may set off any matured obligation due from an Obligor under the Finance Documents (to the extent beneficially owned by that Finance Party) against any obligation (whether or not matured) owed by that Finance Party to that Obligor, regardless of the place of payment, booking branch or currency of either obligation. If the obligations are in different currencies, the Finance Party may convert either obligation at a market rate of exchange in its usual course of business for the purpose of the set-off.
- (b) The Finance Party shall notify the Company and the relevant Obligor as soon as practicable after any set-off is effected under this Clause giving reasonable details of the amounts and accounts involved.

37. NOTICES

37.1 Communications in writing

Any communication to be made under or in connection with the Finance Documents shall be made in writing and, unless otherwise stated, may be made by fax or letter.

37.2 Addresses

- (a) The address and fax number (and the department or officer, if any, for whose attention the communication is to be made) of each Party for any communication or document to be made or delivered under or in connection with the Finance Documents is:
 - (i) in the case of the Company, that identified with its name in paragraph (b) below;
 - (ii) in the case of Carnival plc, that identified with its name in paragraph (c) below;
 - (iii) in the case of Costa Crociere S.p.A., that identified with its name in paragraph (d) below;
 - (iv) in the case of CC U.S. Ventures, Inc., that identified with its name in paragraph (e) below;
 - (v) in the case of each Lender, any other Original Obligor or any Additional Borrower, that notified in writing to the Facilities Agent on or prior to the date on which it becomes a Party; and
 - (vi) in the case of the Facilities Agent, that identified with its name in paragraph (f) below,

or any substitute address, fax number or department or officer as the Party may notify to the Facilities Agent (or the Facilities Agent may notify to the other Parties, if a change is made by the Facilities Agent) by not less than five Business Days' notice.

- (b) The contact details of the Company for this purpose are:

Address: Carnival Corporation, 3655 NW 87th Avenue, Miami, Florida 33178
Fax number: + 1 305 406 6489
Attention: Treasurer; and

Address: Carnival Corporation, 3655 NW 87th Avenue, Miami, Florida 33178
Fax number: +1 305 406 4758

Attention: General Counsel

- (c) The contact details of Carnival plc for this purpose are:

Address: Carnival plc, 5 Gainsford Street, London, SE1 2NE, England
Fax number: 0207 940 5382
Tel number: 0207 940 5381
Attention: Corporation Counsel

- (d) The contact details of Costa Crociere S.p.A. for this purpose are:

Address: Costa Crociere S.p.A., Piazza Piccapietra 48, 16121, Genoa, Italy
Fax number: + 39 010 548 3446
Attention: Cristina Gado, Treasurer

with a copy to:

Address: Carnival Corporation, 3655 NW 87th Avenue, Miami, Florida 33178
Fax number: + 1 305 406 6489
Attention: Treasurer; and

Address: Carnival Corporation, 3655 NW 87th Avenue, Miami, Florida 33178
Fax number: +1 305 406 4758
Attention: General Counsel

- (e) The contact details of CC U.S. Ventures, Inc. for this purpose are:

Address: c/o Carnival Corporation, 3655 NW 87th Avenue, Miami, Florida 33178
Fax number: + 1 305 406 6489
Attention: Treasurer; and

Address: c/o Carnival Corporation, 3655 NW 87th Avenue, Miami, Florida 33178
Fax number: +1 305 406 4758
Attention: General Counsel

- (f) The contact details of the Facilities Agent for this purpose are:

In relation to general credit matters:

Bank of America Merrill Lynch International Designated Activity Company
Two Park Place
Hatch Street
Dublin 2
Ireland

Attention: EMEA Lending Fulfilment
E-Mail: colin.gotts@bofa.com & kevin.p.day@bofa.com

In relation to administrative matters:

Bank of America Merrill Lynch International Designated Activity Company
26 Elmfield Road
Bromley

Kent
BR1 1LR

Attention: Loans Agency Operations
Fax Number: +44 (0) 208 313 2149
E-Mail: emea.7115loansagency@bankofamerica.com

37.3 Delivery

- (a) Any communication or document made or delivered by one person to another under or in connection with the Finance Documents will only be effective:
 - (i) if delivered in person, at the time of delivery;
 - (ii) if by way of fax, when received in legible form; or
 - (iii) if by post, five days after being deposited in the post postage prepaid in an envelope correctly addressed.
- (b) Any communication or document to be made or delivered to the Facilities Agent will be effective only when actually received by the Facilities Agent.
- (c) A communication given under paragraph (a) above but received on a non-working day or after business hours in the place of receipt will only be deemed to be given on the next working day in that place.
- (d) All notices from or to an Obligor shall be sent through the Facilities Agent.
- (e) Any communication or document made or delivered to the Company in accordance with this Clause will be deemed to have been made or delivered to each of the Obligors.

37.4 Notification of address and fax number

Promptly upon receipt of notification of an address and fax number or change of address or fax number pursuant to Clause 37.2 (*Addresses*) or changing its own address or fax number, the Facilities Agent shall notify the other Parties.

37.5 Communication when Facilities Agent is Impaired Agent

If the Facilities Agent is an Impaired Agent the Parties may, instead of communicating with each other through the Facilities Agent, communicate with each other directly and (while the Facilities Agent is an Impaired Agent) all the provisions of the Finance Documents which require communications to be made or notices to be given to or by the Facilities Agent shall be varied so that communications may be made and notices given to or by the relevant Parties directly. This provision shall not operate after a replacement Facilities Agent has been appointed.

37.6 Electronic communication

- (a) Any communication to be made between any two Parties under or in connection with the Finance Documents may be made by electronic mail or other electronic means (including, without limitation, by way of posting to a secure website) if those two Parties:

- (i) notify each other in writing of their electronic mail address and/or any other information required to enable the transmission of information by that means; and
 - (ii) notify each other of any change to their address or any other such information supplied by them.
- (b) Any such electronic communication as specified in paragraph (a) above to be made between an Obligor and a Finance Party may only be made in that way to the extent that those two Parties agree that, unless and until notified to the contrary, this is to be an accepted form of communication.
- (c) Any such electronic communication as specified in paragraph (a) above made between any two Parties will be effective only when actually received (or made available) in readable form and in the case of any electronic communication made by a Party to the Facilities Agent only if it is addressed in such a manner as the Facilities Agent shall specify for this purpose.
- (d) Any electronic communication which becomes effective, in accordance with paragraph (c) above, on a non-working day or after 5.00 p.m. in the place in which the Party to whom the relevant communication is sent or made available has its address for the purpose of this Agreement shall be deemed only to become effective on the following working day.
- (e) Any reference in a Finance Document to a communication being sent or received shall be construed to include that communication being made available in accordance with this Clause 37.6.

37.7 English language

- (a) Any notice given under or in connection with any Finance Document must be in English.
- (b) All other documents provided under or in connection with any Finance Document must be:
- (i) in English; or
 - (ii) if not in English, and if so required by the Facilities Agent, accompanied by a certified English translation and, in this case, the English translation will prevail unless the document is a constitutional, statutory or other official document.

38. CALCULATIONS AND CERTIFICATES

38.1 Accounts

In any litigation or arbitration proceedings arising out of or in connection with a Finance Document, the entries made in the accounts maintained by a Finance Party are prima facie evidence of the matters to which they relate.

38.2 Certificates and Determinations

Any certification or determination by a Finance Party of a rate or amount under any Finance Document is, in the absence of manifest error, conclusive evidence of the matters to which it relates. The Facilities Agent shall provide reasonable details to support such calculation upon the Company's request.

38.3 Day count convention

Any interest, commission or fee accruing under a Finance Document will accrue from day to day and is calculated on the basis of the actual number of days elapsed and a year of 365 days in relation to Sterling or 360 days in relation to any other currency or, in any case where the practice in the Relevant Market differs, in accordance with that market practice.

39. PARTIAL INVALIDITY

If, at any time, any provision of the Finance Documents is or becomes illegal, invalid or unenforceable in any respect under any law of any jurisdiction, neither the legality, validity or enforceability of the remaining provisions nor the legality, validity or enforceability of such provision under the law of any other jurisdiction will in any way be affected or impaired.

40. REMEDIES AND WAIVERS

No failure to exercise, nor any delay in exercising, on the part of any Finance Party, any right or remedy under the Finance Documents shall operate as a waiver of any such right or remedy or constitute an election to affirm any of the Finance Documents. No election to affirm any of the Finance Documents on the part of any Finance Party shall be effective unless it is in writing. No single or partial exercise of any right or remedy shall prevent any further or other exercise or the exercise of any other right or remedy. The rights and remedies provided in this Agreement are cumulative and not exclusive of any rights or remedies provided by law.

41. AMENDMENTS AND WAIVERS

41.1 Required consents

- (a) Subject to Clause 41.2 (*All Lender matters*) and Clause 41.3 (*Other exceptions*) any term of the Finance Documents may be amended or waived only with the consent of the Majority Lenders and the Obligors and any such amendment or waiver will be binding on all Parties.
- (b) The Facilities Agent may effect, on behalf of any Finance Party, any amendment or waiver permitted by this Clause.
- (c) Each Obligor (other than the Company, Costa Crociere S.p.A. and any other Obligor incorporated in Italy) agrees to any such amendment or waiver permitted by this Clause 41 which is agreed to by the Company in its capacity as Obligors' Agent. This includes any amendment or waiver which would, but for this Clause 41.1(c), require the consent of both of the Guarantors.

41.2 All Lender matters

- (a) Subject to Clause 41.4 (*Replacement of Screen Rate*), an amendment or waiver of any term of any Finance Document that has the effect of changing or which relates to:
 - (i) the definition of Majority Lenders in Clause 1.1 (*Definitions*);
 - (ii) an extension to the date of payment of any amount under the Finance Documents (other than, for the avoidance of doubt, as a result of the operation of Clause 10 (*Extension Option*));
 - (iii) a reduction in the Margin or a reduction in the amount of any payment of principal, interest, fees or commission payable;

- (iv) an increase in or an extension of any Tranche A Commitment, Tranche B Commitment, Tranche C Commitment and/or Tranche D Commitment other than pursuant to Clause 2.2 (*Increase*);
 - (v) a change to the Borrowers or Guarantors other than in accordance with Clause 30 (*Changes to the Obligors*);
 - (vi) any provision which expressly requires the consent of all the Lenders; or
 - (vii) Clause 2.3 (*Finance Parties' rights and obligations*), Clause 29 (*Changes to the Lenders*) or this Clause 41,
- shall not be made without the prior consent of all the Lenders.

41.3 Other exceptions

- (a) An amendment or waiver which relates to the rights or obligations of the Facilities Agent, an Arranger or a Reference Bank when acting in that capacity may not be effected without the consent of the Facilities Agent, the Arrangers or the Reference Banks (as applicable).
- (b) An amendment or waiver which relates to the right or obligations of a Tranche D Lender in its capacity as the provider of any Bond shall not be made without the prior consent of the Majority Tranche D Lenders or all of the Tranche D Lenders (as applicable).

41.4 Replacement of Screen Rate

- (a) Subject to Clause 41.3 (*Other exceptions*), if a Screen Rate Replacement Event has occurred in relation to any Screen Rate for a currency which can be selected for a Loan, any amendment or waiver which relates to:
 - (i) providing for the use of a Replacement Benchmark in relation to that currency in place of that Screen Rate; and
 - (ii)
 - (A) aligning any provision of any Finance Document to the use of that Replacement Benchmark;
 - (B) enabling that Replacement Benchmark to be used for the calculation of interest under this Agreement (including, without limitation, any consequential changes required to enable that Replacement Benchmark to be used for the purposes of this Agreement);
 - (C) implementing market conventions applicable to that Replacement Benchmark;
 - (D) providing for appropriate fallback (and market disruption) provisions for that Replacement Benchmark; or
 - (E) adjusting the pricing to reduce or eliminate, to the extent reasonably practicable, any transfer of economic value from one Party to another as a result of the application of that Replacement Benchmark (and if any adjustment or method for calculating any adjustment has been formally designated, nominated or recommended by the Relevant Nominating Body, the adjustment shall be determined on the basis of that designation, nomination or recommendation),

may be made with the consent of the Facilities Agent (acting on the instructions of the Majority Lenders and the Obligors).

- (b) If any Lender fails to respond to a request for an amendment or waiver described in paragraph (a) above within 10 Business Days (or such longer time period in relation to any request which the Company and the Agent may agree) of that request being made:
 - (i) its Commitment(s) shall not be included for the purpose of calculating the Total Commitments under the relevant Facility/ies when ascertaining whether any relevant percentage of Total Commitments has been obtained to approve that request; and
 - (ii) its status as a Lender shall be disregarded for the purpose of ascertaining whether the agreement of any specified group of Lenders has been obtained to approve that request.

41.5 Disenfranchisement of Defaulting Lenders

- (a) For so long as a Defaulting Lender has any Commitment which is undrawn and uncanceled, in ascertaining the Majority Lenders or whether any given percentage (including, for the avoidance of doubt, unanimity) of the Total Commitments has been obtained to approve any request for a consent, waiver, amendment or other vote under the Finance Documents, that Defaulting Lender's Commitments will be reduced by the amount of its Commitments which are undrawn and uncanceled.
- (b) For the purposes of this Clause 41.3, the Facilities Agent may assume that the following Lenders are Defaulting Lenders:
 - (i) any Lender which has notified the Facilities Agent that it has become a Defaulting Lender;
 - (ii) any Lender in relation to which it is aware that any of the events or circumstances referred to in paragraphs (a), (b) or (c) of the definition of *Defaulting Lender* has occurred,

unless it has received notice to the contrary from the Lender concerned (together with any supporting evidence reasonably requested by the Facilities Agent) or the Facilities Agent is otherwise aware that the Lender has ceased to be a Defaulting Lender.

41.6 Replacement of a Defaulting Lender

- (a) The Company may, at any time a Lender (or any Affiliates which are Lenders) has become and continues to be a Defaulting Lender, by giving three Business Days' prior written notice to the Facilities Agent and such Lender:
 - (i) replace such Lender (and any Affiliates which are Lenders) by requiring such Lender to (and to the extent permitted by law such Lender shall) transfer pursuant to Clause 29 (*Changes to the Lenders*) all (and not part only) of its rights and obligations under this Agreement;
 - (ii) require such Lender (and any Affiliates which are Lenders) to (and to the extent permitted by law such Lender shall) transfer pursuant to Clause 29 (*Changes to the Lenders*) all (and not part only) of the undrawn Commitments and/or undrawn Swingline Commitments of the Lender (and its Affiliate); or

(iii) require such Lender (and any Affiliates which are Lenders) to (and to the extent permitted by law such Lender shall) transfer pursuant to Clause 29 (*Changes to the Lenders*) all (and not part only) of its rights and obligations in respect of the Facilities,

to a Lender or other bank or financial institution (a **Replacement Lender**) selected by the Company, which confirms its willingness to assume and does assume all the obligations or all the relevant obligations of the transferring Lender (including the assumption of the transferring Lender's participations or unfunded participations (as the case may be) on the same basis as the transferring Lender) for a purchase price in cash payable at the time of transfer equal to the outstanding principal amount of such Lender's participation in the outstanding Utilisations and all accrued interest and Bond fees, Break Costs and other amounts payable in relation thereto under the Finance Documents.

- (b) Any transfer of rights and obligations of a Defaulting Lender pursuant to this Clause shall be subject to the following conditions:
- (i) the Company shall have no right to replace the Facilities Agent;
 - (ii) neither the Facilities Agent nor the Defaulting Lender shall have any obligation to the Company to find a Replacement Lender;
 - (iii) the transfer must take place no later than 90 days after the notice referred to in paragraph (a) above; and
 - (iv) in no event shall the Defaulting Lender be required to pay or surrender to the Replacement Lender any of the fees received by the Defaulting Lender pursuant to the Finance Documents.

42. CONFIDENTIAL INFORMATION

42.1 Confidentiality

Each Finance Party agrees to keep all Confidential Information confidential and not to disclose it to anyone, save to the extent permitted by Clause 42.2 (*Disclosure of Confidential Information*) and Clause 42.3 (*Disclosure to numbering service providers*), and to ensure that all Confidential Information is protected with security measures and a degree of care that would apply to its own confidential information.

42.2 Disclosure of Confidential Information

Any Finance Party may disclose:

- (a) to any of its Affiliates and Related Funds and any of its or their officers, directors, employees, professional advisers, auditors, partners and Representatives such Confidential Information as that Finance Party shall consider appropriate if any person to whom the Confidential Information is to be given pursuant to this paragraph (a) is informed in writing of its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the Confidential Information;
- (b) to any person:
 - (i) to (or through) whom it assigns or transfers (or may potentially assign or transfer) all or any of its rights and/or obligations under one or more Finance Documents or which

succeeds (or which may potentially succeed) it as Facilities Agent, and, in each case, to any of that person's Affiliates, Related Funds, Representatives and professional advisers;

- (ii) with (or through) whom it enters into (or may potentially enter into), whether directly or indirectly, any sub-participation in relation to, or any other transaction under which payments are to be made or may be made by reference to, one or more Finance Documents and/or one or more Obligors and to any of that person's Affiliates, Related Funds, Representatives and professional advisers;
- (iii) appointed by any Finance Party or by a person to whom paragraph (b)(i) or (ii) above applies to receive communications, notices, information or documents delivered pursuant to the Finance Documents on its behalf (including, without limitation, any person appointed under paragraph (c) of Clause 31.15 (*Relationship with the Lenders*));
- (iv) who invests in or otherwise finances (or may potentially invest in or otherwise finance), directly or indirectly, any transaction referred to in paragraph (b)(i) or (ii) above;
- (v) to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation;
- (vi) to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes;
- (vii) to whom or for whose benefit that Finance Party charges, assigns or otherwise creates Security (or may do so) pursuant to Clause 29.7 (*Security over Lenders' rights*);
- (viii) who is a Party; or
- (ix) with the consent of the Company;

in each case, such Confidential Information as that Finance Party shall consider appropriate if:

- (A) in relation to paragraphs (b)(i), (b)(ii) and (b)(iii) above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking except that there shall be no requirement for a Confidentiality Undertaking if the recipient is a professional adviser and is subject to professional obligations to maintain the confidentiality of the Confidential Information;
- (B) in relation to paragraph (b)(iv) above, the person to whom the Confidential Information is to be given has entered into a Confidentiality Undertaking or is otherwise bound by requirements of confidentiality in relation to the Confidential Information they receive and is informed that some or all of such Confidential Information may be price-sensitive information;
- (C) in relation to paragraphs (b)(v), (b)(vi) and (b)(vii) above, the person to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of that Finance Party, it is not practicable so to do in the circumstances; and

- (c) to any person appointed by that Finance Party or by a person to whom paragraph (b)(i) or (b)(ii) above applies to provide administration or settlement services in respect of one or more of the Finance Documents including without limitation, in relation to the trading of participations in respect of the Finance Documents, such Confidential Information as may be required to be disclosed to enable such service provider to provide any of the services referred to in this paragraph (c) if the service provider to whom the Confidential Information is to be given has entered into a confidentiality agreement substantially in the form of the LMA Master Confidentiality Undertaking for Use With Administration/Settlement Service Providers or such other form of confidentiality undertaking agreed between the Company and the relevant Finance Party; and
- (d) to any rating agency (including its professional advisers) such Confidential Information as may be required to be disclosed to enable such rating agency to carry out its normal rating activities in relation to the Finance Documents and/or the Obligors if the rating agency to whom the Confidential Information is to be given is informed of its confidential nature and that some or all of such Confidential Information may be price-sensitive information.

42.3 Disclosure to numbering service providers

- (a) Any Finance Party may disclose to any national or international numbering service provider appointed by that Finance Party to provide identification numbering services in respect of this Agreement, the Facilities and/or one or more Obligors the following information:
 - (i) names of Obligors;
 - (ii) country and domicile of Obligors;
 - (iii) place of incorporation of Obligors;
 - (iv) date of this Agreement;
 - (v) Clause 44 (*Governing Law*);
 - (vi) the names of the Facilities Agent and the Arranger;
 - (vii) date of each amendment and restatement of this Agreement;
 - (viii) amounts of, and names of, the Facilities (and any tranches);
 - (ix) amount of Total Commitments;
 - (x) currencies of the Facilities;
 - (xi) type of Facilities;
 - (xii) ranking of Facilities;
 - (xiii) Termination Date for Facilities;
 - (xiv) Changes to any of the information previously supplied pursuant to paragraphs (i) to (xiii) above; and
 - (xv) Such other information agreed between such Finance Party and the Company,

to enable such numbering service provider to provide its usual syndicated loan numbering identification services.

- (b) The Parties acknowledge and agree that each identification number assigned to this Agreement, the Facilities and/or one or more Obligor by a numbering service provider and the information associated with each such number may be disclosed to users of its services in accordance with the standard terms and conditions of that numbering service provider.
- (c) The Company represents that none of the information set out in paragraphs (i) to (xv) of paragraph (a) above is, nor will at any time be, unpublished price-sensitive information.
- (d) The Facilities Agent shall notify the Company and the other Finance Parties of:
 - (i) the name of any numbering service provider appointed by the Facilities Agent in respect of this Agreement, the Facilities and/or one or more Obligor; and
 - (ii) the number or, as the case may be, numbers assigned to this Agreement, the Facilities and/or one or more Obligor by such numbering service provider.

42.4 Entire agreement

This Clause 42 constitutes the entire agreement between the Parties in relation to the obligations of the Finance Parties under the Finance Documents regarding Confidential Information and supersedes any previous agreement, whether express or implied, regarding Confidential Information.

42.5 Inside Information

Each of the Finance Parties acknowledges that some or all of the Confidential Information is or may be price-sensitive information and that the use of such information may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and each of the Finance Parties undertakes not to use any Confidential Information for any unlawful purpose.

42.6 Notification of disclosure

Each of the Finance Parties agrees (to the extent permitted by law and regulation) to inform the Company:

- (a) of the circumstances of any disclosure of Confidential Information made pursuant to paragraph (b)(v) of Clause 42.2 (*Disclosure of Confidential Information*) except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and
- (b) upon becoming aware that Confidential Information has been disclosed in breach of this Clause 42.

42.7 Continuing obligations

The obligations in this Clause 42 are continuing and, in particular, shall survive and remain binding on each Finance Party for a period of eighteen months from the earlier of:

- (a) the date on which all amounts payable by the Obligor under or in connection with this Agreement have been paid in full and all Commitments have been cancelled or otherwise cease to be available; and
- (b) the date on which such Finance Party otherwise ceases to be a Finance Party.

43. CONFIDENTIALITY OF FUNDING RATES AND REFERENCE BANK QUOTATIONS

43.1 Confidentiality and disclosure

- (a) The Facilities Agent and each Obligor agree to keep each Funding Rate (and, in the case of the Facilities Agent, each Reference Bank Quotation) confidential and not to disclose it to anyone, save to the extent permitted by paragraphs (b), (c) and (d) below.
- (b) The Facilities Agent may disclose:
 - (i) any Funding Rate (but not, for the avoidance of doubt, any Reference Bank Quotation) to the relevant Borrower pursuant to Clause 14.4 (Notification of rates of interest) or Clause 9.6 (Interest); and
 - (ii) any Funding Rate or any Reference Bank Quotation to any person appointed by it to provide administration services in respect of one or more of the Finance Documents to the extent necessary to enable such service provider to provide those services if the service provider to whom that information is to be given has entered into a confidentiality agreement substantially in the form of the LMA Master Confidentiality Undertaking for Use With Administration/Settlement Service Providers or such other form of confidentiality undertaking agreed between the Agent and the relevant Lender or Reference Bank, as the case may be.
- (c) The Facilities Agent may disclose any Funding Rate or any Reference Bank Quotation, and each Obligor may disclose any Funding Rate, to:
 - (i) any of its Affiliates and any of its or their officers, directors, employees, professional advisers, auditors, partners and Representatives if any person to whom that Funding Rate or Reference Bank Quotation is to be given pursuant to this paragraph (i) is informed in writing of its confidential nature and that it may be price-sensitive information except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of that Funding Rate or Reference Bank Quotation or is otherwise bound by requirements of confidentiality in relation to it;
 - (ii) any person to whom information is required or requested to be disclosed by any court of competent jurisdiction or any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation if the person to whom that Funding Rate or Reference Bank Quotation is to be given is informed in writing of its confidential nature and that it may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of the Facilities Agent or the relevant Obligor, as the case may be, it is not practicable to do so in the circumstances;
 - (iii) any person to whom information is required to be disclosed in connection with, and for the purposes of, any litigation, arbitration, administrative or other investigations, proceedings or disputes if the person to whom that Funding Rate or Reference Bank Quotation is to be given is informed in writing of its confidential nature and that it may be price-sensitive information except that there shall be no requirement to so inform if, in the opinion of the Facilities Agent or the relevant Obligor, as the case may be, it is not practicable to do so in the circumstances; and

- (iv) any person with the consent of the relevant Lender or Reference Bank, as the case may be.
- (d) The Facilities Agent's obligations in this Clause 43 relating to Reference Bank Quotations are without prejudice to its obligations to make notifications under Clause 14.4 (*Notification of rates of interest*) or Clause 9.6 (*Interest*) **provided that** (other than pursuant to paragraph (b)(i) above) the Facilities Agent shall not include the details of any individual Reference Bank Quotation as part of any such notification.

43.2 Related Obligations

- (a) The Facilities Agent and each Obligor acknowledge that each Funding Rate (and, in the case of the Facilities Agent, each Reference Bank Quotation) is or may be price-sensitive information and that its use may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and the Facilities Agent and each Obligor undertake not to use any Funding Rate or, in the case of the Facilities Agent, any Reference Bank Quotation for any unlawful purpose.
- (b) The Facilities Agent and each Obligor agree (to the extent permitted by law and regulation) to inform the relevant Lender or Reference Bank, as the case may be:
 - (i) of the circumstances of any disclosure made pursuant to paragraph (c)(ii) of Clause 43.1 (*Confidentiality and disclosure*) except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and
 - (ii) upon becoming aware that any information has been disclosed in breach of this Clause 43.

43.3 No Event of Default

No Event of Default will occur under Clause 28.2 (*Breach of other obligations*) by reason only of an Obligor's failure to comply with this Clause 43.

44. LENDING AFFILIATES

44.1 Lending Affiliate definitions

In this Agreement:

Appointing Lender means:

- (a) in relation to an Original Lending Affiliate, the Lender specified as an Original Lender opposite that Original Lending Affiliate's name in Part I of Schedule 14 (*Original Lending Affiliates*); and
- (b) in relation to a New Lending Affiliate, the Lender which is party to the New Lending Affiliate Appointment Notice relating to that New Lending Affiliate.

Appointment Date means, in relation to the appointment of a New Lending Affiliate, the later of:

- (a) the proposed Appointment Date specified in the relevant New Lending Affiliate Appointment Notice; and

- (b) the date on which the Facilities Agent executes the relevant New Lending Affiliate Appointment Notice.

Lending Affiliate means, in relation to a Lender:

- (a) an Original Lending Affiliate of that Lender; and
(b) a New Lending Affiliate of that Lender,

which in each case has not ceased to be a Party as such in accordance with the terms of this Agreement.

Lending Affiliate Utilisation means, in relation to a Lending Affiliate, a Utilisation in which that Lending Affiliate has been nominated to participate pursuant to Clause 44.5 (*Nomination of Lending Affiliate Utilisations*).

Lending Affiliate Utilisation Notice means a notice substantially in the form set out in Schedule 16, (*Form of Lending Affiliate Utilisation Notice*).

Lending Affiliate Resignation Notice means a notice substantially in the form set out in Schedule 16 (*Form of Lending Affiliate Resignation Notice*).

New Lending Affiliate means, in relation to a Lender, an entity which has become a Party as a "New Lending Affiliate" of that Lender in accordance with Clause 44.3 (*Appointment of New Lending Affiliates*).

New Lending Affiliate Appointment Notice means a notice substantially in the form set out in Schedule 15 (*Form of New Lending Affiliate Appointment Notice*).

Original Lending Affiliate means, in relation to an Original Lender, any entity specified as an Original Lending Affiliate opposite that Original Lender's name in Part I of Schedule 14 (*Original Lending Affiliates*).

44.2 Original Lending Affiliate tax status confirmation

- (a) With respect to an Obligor to which Clauses 18.2 (*General*) to 18.7 (*Stamp taxes*) apply, each Original Lending Affiliate which is a Treaty Lender that holds a passport under the HMRC DT Treaty Passport scheme, and which wishes that scheme to apply to this Agreement, shall confirm its scheme reference number and its jurisdiction of tax residence opposite its name in Part I of Schedule 14 (*Original Lending Affiliates*).
- (b) Confirmation of a scheme reference number and jurisdiction of tax residence pursuant to paragraph (a) above shall be deemed to be confirmation of those details pursuant to paragraph (j)(ii)(A) of Clause 18.3 (*Tax gross-up*) and the reference in the definition of "Borrower DTTP Filing" in Clause 18.2 (*General*) to Part IIA and Part IIB of Schedule 1 (*The Original Parties*) shall be construed to include Part I of Schedule 14 (*Original Lending Affiliates*).

44.3 Appointment of New Lending Affiliates

- (a) Subject to this Clause 44.3, an entity shall become a Party as a "New Lending Affiliate" of a Lender on the relevant Appointment Date if:
- (i) that entity is an Affiliate of that Lender;
- (ii) that Affiliate is a bank or financial institution;

- (iii) that Lender and that Affiliate deliver to the Facilities Agent a duly completed New Lending Affiliate Appointment Notice in relation to that Affiliate; and
- (iv) the Facilities Agent executes that New Lending Affiliate Appointment Notice.
- (b) The Facilities Agent shall, subject to paragraph (c) below, as soon as reasonably practicable after receipt by it of a duly completed New Lending Affiliate Appointment Notice appearing on its face to comply with the terms of this Agreement and delivered in accordance with the terms of this Agreement, execute that New Lending Affiliate Appointment Notice.
- (c) The Facilities Agent shall only be obliged to execute a New Lending Affiliate Appointment Notice delivered to it by a Lender and an Affiliate of that Lender once it is satisfied it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations in relation to that Affiliate becoming a Party as a New Lending Affiliate.
- (d) The Facilities Agent shall, as soon as reasonably practicable after it has executed a New Lending Affiliate Appointment Notice, send to the Company a copy of that New Lending Affiliate Appointment Notice.
- (e) If a proposed appointment of an Affiliate of a Lender as a New Lending Affiliate obliges that Affiliate to comply with "know your customer" or similar identification procedures in circumstances where the necessary information is not already available to it, each Obligor shall promptly upon the request of that Lender supply, or procure the supply of, such documentation and other evidence as is reasonably requested by that Lender (on behalf of that Affiliate) in order for that Affiliate to carry out and be satisfied that it has complied with all necessary "know your customer" or other similar checks under all applicable laws and regulations pursuant to the transactions contemplated in the Finance Documents.

44.4 Lending Affiliates as Lenders

- (a) Subject to this Clause 44, any reference in a Finance Document to a **Lender** shall be construed to include a Lending Affiliate, any reference to an **Original Lender** shall be construed to include an Original Lending Affiliate and, to the extent a Lending Affiliate is nominated to participate in a Swingline Loan, any reference to a **Swingline Lender** shall be construed to include that Lending Affiliate.
- (b) An Appointing Lender and each of its Lending Affiliates shall be treated as a single Lender for the purposes of:
 - (i) determining an Appointing Lender's Available Commitment or Available Swingline Commitment or whether participations exceed an Appointing Lender's Overall Commitment; and
 - (ii) Clause 13.1 (*Mandatory prepayment - illegality*), Clause 13.6 (*Involuntary prepayment and cancellation and replacement of Lender*) and Clause 41.6 (*Replacement of a Defaulting Lender*).

44.5 Nomination of Lending Affiliate Utilisations

- (a) Each Original Lending Affiliate is nominated by its Appointing Lender to participate in any Utilisation, or class of Utilisation, specified opposite the name of that Original Lending Affiliate in Part I or Part II of Schedule 14 (*Original Lending Affiliates*).

- (b) An Appointing Lender may, by delivery of a duly completed Lending Affiliate Utilisation Notice to the Facilities Agent and the Company no later than the time specified in paragraph (c) below, nominate any of its Lending Affiliates to participate in any Utilisation, or class of Utilisation, specified in that Lending Affiliate Utilisation Notice.
- (c) If an Appointing Lender is a Lender under Tranche C and/or a Swingline Lender, its nominated Lending Affiliate must be able to perform that function or those functions in the same manner as the Appointing Lender to the extent of the specified Utilisation.
- (d) A Tranche D Lender may not nominate a Lending Affiliate to assume any of its rights and/or obligations in respect of an outstanding Bond without the consent of the Company.
- (e) Any Lending Affiliate Utilisation Notice delivered pursuant to paragraph (b) above shall be delivered no later than five Business Days before the proposed Utilisation Date of any Utilisation specified in that Lending Affiliate Utilisation Notice or at such later time agreed by the Facilities Agent and the Company.
- (f) A Utilisation, or class of Utilisation, may only be specified pursuant to paragraphs (a) or (b) above by reference to any of:
 - (i) the Borrower(s) of that Utilisation or those Utilisations; and/or
 - (ii) the jurisdiction of incorporation of the Borrower(s) of that Utilisation or those Utilisations; and/or
 - (iii) the currency of that Utilisation or those Utilisations; and/or
 - (iv) in the case of the specification of an individual Utilisation, the proposed Utilisation Date of that Utilisation.
- (g) Clause 29 (*Changes to the Lenders*) shall not apply to any nomination of a Lending Affiliate Utilisation or to the effects of that nomination pursuant to this Clause 44.

44.6 Participation by Lending Affiliate

- (a) An Appointing Lender which nominates its Lending Affiliate to participate in any Utilisation, or class of Utilisation, pursuant to Clause 44.5 (*Nomination of Lending Affiliate Utilisations*) will be released from its obligations under the Finance Documents which relate to that Utilisation, or class of Utilisation, and that Lending Affiliate will be bound by obligations equivalent to those obligations.
- (b) Without prejudice to Clause 31.11 (*Lenders' indemnity to the Facilities Agent*) an Appointing Lender shall not be responsible for, or liable for any damages, costs or losses to any person arising as a result of, the non-performance by any Lending Affiliate of that Appointing Lender of that Lending Affiliate's obligations under the Finance Documents.

44.7 Payments

Notwithstanding Clause 31.15 (*Relationship with the Lenders*), any obligation under any Finance Document to pay an amount to a Lender, or to the Facilities Agent on a Lender's behalf, in relation to a Lending Affiliate Utilisation shall be construed as an obligation to pay that amount to the Lending Affiliate nominated by that Lender to participate in that Lending Affiliate Utilisation or to the Facilities Agent on behalf of that Lending Affiliate.

44.8 Commitments and voting

- (a) Without prejudice to Clause 44.6 (*Participation by Lending Affiliate*), a Lending Affiliate has no Commitment and any portion of a Commitment which relates to any Lending Affiliate Utilisation of that Lending Affiliate remains part of the Commitment of the Appointing Lender of that Lending Affiliate.
- (b) Any term of this Agreement which acts to cancel or reduce a Commitment on the repayment or prepayment of a Utilisation shall, in the case of the repayment or prepayment of a Lending Affiliate Utilisation of a Lending Affiliate, operate to cancel or reduce the corresponding portion of the Commitment of the Appointing Lender of that Lending Affiliate.
- (c) No reference in a Finance Document to a **Lender** shall be construed to include any Lending Affiliate for the purposes of ascertaining whether the agreement of any specified group of Lenders has been obtained to approve any request for a consent, waiver, amendment or any other vote of Lenders under the Finance Documents. The agreement of any Lending Affiliate is not required to approve a request for any such consent, waiver, amendment or vote.

44.9 Effect on assignments and transfers

- (a) Any assignment or transfer by an Appointing Lender pursuant to Clause 29 (*Changes to the Lenders*) of its rights and/or obligations under the Finance Documents which relate to that portion of its Commitment which relates to a Lending Affiliate Utilisation shall be construed to include an assignment or transfer, as the case may be, by it, on behalf of its Lending Affiliate nominated to participate in that Lending Affiliate Utilisation, of that Lending Affiliate's rights and/or obligations under the Finance Documents which relate to that Lending Affiliate Utilisation.
- (b) Subject to paragraph (c) below the rights and/or obligations of a Lending Affiliate under the Finance Documents may not be assigned or transferred other than pursuant to an assignment or transfer by its Appointing Lender described in paragraph (a) above.
- (c) A Lending Affiliate (the **Existing Lending Affiliate**) may, subject to Clause 29 (*Changes to the Lenders*) (including Clause 29.4), assign any of its rights under any Finance Document which relate to an outstanding Lending Affiliate Utilisation to another Lending Affiliate of its Appointing Lender (the **Alternative Lending Affiliate**) or to its Appointing Lender.
- (d) An assignment described in paragraph (c) above will only be effective on receipt by the Facilities Agent of written confirmation from the Alternative Lending Affiliate or, as the case may be, the Appointing Lender (in form and substance satisfactory to the Facilities Agent) that the Alternative Lending Affiliate or, as the case may be, the Appointing Lender will assume the same obligations to the other Finance Parties as it would have been under if, in the case of an Alternative Lending Affiliate, it had been nominated to participate in that Lending Affiliate Utilisation or, in the case of an Appointing Lender, the Existing Lending Affiliate had not been nominated to participate in that Lending Affiliate Utilisation.

44.10 Communications

- (a) Each Lending Affiliate shall be represented by its Appointing Lender for all administrative purposes under the Finance Documents and each Lending Affiliate shall deal with each other Party exclusively through its Appointing Lender.
- (b) The Facilities Agent shall be entitled to carry out all dealings with a Lending Affiliate through the Appointing Lender of that Lending Affiliate and may give to that Appointing Lender any

notice, document or other communication required to be given by the Facilities Agent to that Lending Affiliate.

44.11 Defaulting Lenders

An Appointing Lender shall be treated as a Defaulting Lender if any Lending Affiliate of that Appointing Lender is a Defaulting Lender and a Lending Affiliate shall be treated as a Defaulting Lender if its Appointing Lender is a Defaulting Lender.

44.12 Other adjustments

- (a) Any obligation under this Agreement for a Lending Affiliate to transfer its rights and obligations under this Agreement shall be construed as an obligation for the Appointing Lender of that Lending Affiliate to transfer its rights and obligations under this Agreement which relate to that portion of its Commitment which relates to any Lending Affiliate Utilisation of that Lending Affiliate.
- (b) If:
 - (i) a Lending Affiliate is nominated to participate in any Utilisation, or class of Utilisation, pursuant to the delivery of a Lending Affiliate Utilisation Notice; and
 - (ii) as a result of circumstances existing at the date of delivery of that Lending Affiliate Utilisation Notice an Obligor would be obliged to make a payment to that Lending Affiliate under Clause 18 (*Taxes*) or Clause 19 (*Increased Costs*) or any other provision of a Finance Document,

then that Lending Affiliate is only entitled to receive payment under those Clauses or provisions in respect of a Lending Affiliate Utilisation which is the subject of that Lending Affiliate Utilisation Notice to the same extent as its Appointing Lender would have been if that Utilisation had not been a Lending Affiliate Utilisation. This paragraph (b) shall not apply:

- (iii) in relation to Clause 18.3 (*Tax gross-up*), in the case of an Obligor to which Clauses 18.2 (*General*) to 18.7 (*Stamp taxes*) apply, to a Lending Affiliate that is a Treaty Lender and that has included a confirmation of its scheme reference number and its jurisdiction of tax residence in accordance with paragraph (a) of Clause 44.2 (*Original Lending Affiliate tax status confirmations*) or paragraph (j)(ii)(B) of Clause 18.3 (*Tax gross-up*) if the Obligor making the payment has not made a Borrower DTTP Filing in respect of that Treaty Lender.

44.13 Resignation of Lending Affiliate

- (a) If no Lending Affiliate Utilisation in respect of which a Lending Affiliate has rights or obligations under this Agreement is outstanding, that Lending Affiliate and its Appointing Lender may request that such Lending Affiliate (the ***Resigning Lending Affiliate***) ceases to be a Lending Affiliate by delivering to the Facilities Agent a Lending Affiliate Resignation Notice.
- (b) The Facilities Agent shall as soon as reasonably practicable after receipt by it of a duly completed Lending Affiliate Resignation Notice appearing on its face to comply with the terms of this Agreement, and delivered in accordance with the terms of this Agreement, accept that Lending Affiliate Resignation Notice and notify the Appointing Lender of that Resigning Lending Affiliate and the Company of its acceptance.

- (c) Upon notification by the Facilities Agent to that Appointing Lender and the Company of its acceptance of the resignation of that Resigning Lending Affiliate:
 - (i) that Resigning Lending Affiliate shall cease to be a Lending Affiliate and shall have no further rights or obligations under the Finance Documents as a Lending Affiliate; and
 - (ii) any nomination of that Lending Affiliate to participate in any Utilisation, or class of Utilisation, shall be cancelled.
- (d) A Lending Affiliate shall, and its Appointing Lender shall procure that such Lending Affiliate will, resign pursuant to this Clause 44.13 if:
 - (i) that Lending Affiliate ceases to be an Affiliate of its Appointing Lender; or
 - (ii) its Appointing Lender ceases to be a Party.

45. COUNTERPARTS

Each Finance Document may be executed in any number of counterparts, and this has the same effect as if the signatures on the counterparts were on a single copy of the Finance Document.

46. GOVERNING LAW

This Agreement and any non-contractual obligations arising out of or in connection with it are governed by English law.

47. ENFORCEMENT

47.1 Jurisdiction

- (a) The courts of England have exclusive jurisdiction to settle any dispute arising out of or in connection with this Agreement (including a dispute regarding the existence, validity or termination of this Agreement or any non-contractual obligation arising out of or in connection with this Agreement) (a *Dispute*).
- (b) The Parties agree that the courts of England are the most appropriate and convenient courts to settle Disputes and accordingly no Party will argue to the contrary.
- (c) This Clause 47.1 is for the benefit of the Finance Parties only. As a result, no Finance Party shall be prevented from taking proceedings relating to a Dispute in any other courts with jurisdiction. To the extent allowed by law, the Finance Parties may take concurrent proceedings in any number of jurisdictions.

47.2 Service of process

- (a) Without prejudice to any other mode of service allowed under any relevant law, each Obligor (other than an Obligor incorporated in England and Wales):
 - (i) irrevocably appoints Carnival plc (and Carnival plc hereby accepts each such appointment) as its agent for service of process in relation to any proceedings before the English courts in connection with any Finance Document; and
 - (ii) agrees that failure by a process agent to notify the relevant Obligor of the process will not invalidate the proceedings concerned.

47.3 Waiver of Jury Trial

EACH OF THE PARTIES TO THIS AGREEMENT IRREVOCABLY WAIVES TRIAL BY JURY IN ANY ACTION OR PROCEEDING WITH RESPECT TO THIS AGREEMENT OR ANY OF THE FINANCE DOCUMENTS. THIS AGREEMENT MAY BE FILED AS A WRITTEN CONSENT TO TRIAL BY THE COURT.

48. USA PATRIOT ACT

Each Finance Party that is subject to the USA Patriot Act hereby notifies each Obligor that pursuant to the requirements of the USA Patriot Act, such Finance Party is required to obtain, verify and record information that identifies such Obligor, which information includes the name and address of such Obligor and other information that will allow such Finance Party to identify such Obligor in accordance with the USA Patriot Act. Each Obligor agrees that it will provide each Finance Party with such information as it may require in order for such Finance Party to satisfy the requirements of the USA Patriot Act.

49. TRANSPARENCY RULES

Pursuant to, and in accordance with, the transparency rules (*Disposizioni in materia di trasparenza delle operazioni e dei servizi bancari e finanziari. Correttezza delle relazioni tra intermediari e clienti*) enacted under Article 9.1 of the CICR (Comitato Interministeriale per il Credito e il Risparmio) Resolution of 4 March 2003 effective as of October 2003 and the following transparency rules applicable to transactions and banking and financial services issued by the Bank of Italy on 9 February 2011 and published in the Italian official gazette (Gazzetta Ufficiale) on 16 February 2011 (the **Transparency Rules**), the Parties mutually acknowledge and declare that this Agreement and any of its terms and conditions have been negotiated on an individual basis and, as a result, this Agreement falls into the category of the agreements which have been negotiated individually “che costituiscono oggetto di trattativa individuale” which are exempted from the application of Section II of the Transparency Rules.

50. DESIGNATION

Bank of America Merrill Lynch International Designated Activity Company (**BAMLI DAC**) in its capacity as an Arranger hereby delegates to Bank of America, N.A. (**BANA**) all of its rights, powers, authority and discretions vested in it in its capacity as Arranger to the extent they relate to any Borrower which is incorporated under the laws of and/or located in a state of the United States of America (each, a **Relevant Borrower**), and any reference in the Finance Documents to BAMLI DAC in its capacity as Arranger in respect of a Relevant Borrower shall be deemed to be a reference to BANA.

This Agreement has been entered into on the date stated at the beginning of this Agreement.

SCHEDULE 1

THE PARTIES

Part A
The Borrowers

Name of Subsidiaries of the Company and Carnival plc

- 1 Costa Crociere S.p.A. (a company organised and existing under the laws of Italy as a *società per azioni*, with a share capital equal to Euro 344,314,467.00, having its registered office in Genoa (Italy), Piazza Piccapietra 48, registered with the Companies' Register (*Registro delle Imprese*) of Genoa under no. 02545900108, *Repertorio Economico Amministrativo* no. GE-279842)
- 2 CC U.S. Ventures, Inc. (a corporation incorporated and existing under the laws of the State of Delaware, United States of America)

Part B
The Lenders - Loan Commitments

(a) Tranche A Commitment

| Name of Lender | Amount (USD) | Non-Eligible Tranche D Lender | Treaty Passport Number and jurisdiction of tax residence (if applicable) |
|--|----------------------------|----------------------------------|--|
| Australia and New Zealand Banking Group Limited | 112,511,400.00 | No | 02/A/204986/DTTP. Australia. |
| Banco Santander, S.A., New York Branch | 51,500,000.00 | Yes | 9/S/267974/DTTP. Spain |
| Bank of America N.A. | 45,569,800.00 | No | 13/B/7418/DTTP. US |
| Bank of China Limited, London Branch | 83,000,000.00 | No | Not a Treaty Lender. China |
| Barclays Bank PLC | 42,069,800.00 | No | Not Applicable - UK |
| Bayerische Landesbank, New York Branch | 78,000,000.00 | Yes | 07/B/70350/DTTP. Germany |
| BNP Paribas | 45,569,800.00 | No | 005/B/0255139/DTTP. France |
| Citibank N.A, London Branch | 45,369,800.00 | No | Not applicable. US |
| Deutsche Bank Luxembourg S.A. | 51,500,000.00 | No | 48/D/72718/DTTP. Luxembourg |
| DZ Bank AG Deutsche Zentral-Genossenschaftsbank, New York Branch | 54,800,000.00 | Yes | 7/D/205877/DTTP. Germany |
| Goldman Sachs Bank USA | 170,400,000.00 | Yes | 13/G/351779/DTTP. US |
| HSBC France | 47,500,000.00 | Yes | 5/H/310721/DTTP. France |
| Intesa Sanpaolo S.p.A. | 83,000,000.00 | No | Not applicable. Italy |
| JPMorgan Chase Bank, N.A. | 45,369,800.00 | No | 013/M/0268710/DTTP. US |
| KfW IPEX-Bank GmbH | 78,000,000.00 | No | 7/K/333018/DTTP. Germany |
| Lloyds Bank plc | 115,400,000.00 | No | Not Applicable. UK. |
| Mizuho Bank, Ltd. | 45,369,800.00 | No | Qualifying Bank. Japan |
| National Westminster Bank plc | 44,069,800.00 | No | Not Applicable. UK. |
| PNC Bank, National Association | 83,000,000.00 | Yes | 13/P/63904/DTTP. US |
| Sumitomo Mitsui Banking Corporation | 78,000,000.00 | No | 43/S/274647/DTTP - Japan |
| | Total 1,400,000,000 | | |

(b)

Tranche B Commitment

| Name of Lender | Amount (Sterling) | Treaty Passport Number and jurisdiction of tax residence (if applicable) |
|--|-------------------|--|
| Australia and New Zealand Banking Group Limited | 6,000,000.00 | 02/A/204986/DTTP. Australia. |
| Banco Santander, S.A., New York Branch | 6,000,000.00 | 9/S/267974/DTTP. Spain |
| Bank of America N.A | 8,000,000.00 | Not Applicable. UK. |
| Bank of China Limited, London Branch | 8,000,000.00 | Not a Treaty Lender. China |
| Barclays Bank PLC | 11,000,000.00 | Not Applicable. UK. |
| Bayerische Landesbank, New York Branch | 2,000,000.00 | 07/B/70350/DTTP. Germany |
| BNP Paribas | 8,000,000.00 | Not Applicable. France |
| Citibank N.A, London Branch | 8,000,000.00 | Not Applicable. US |
| Deutsche Bank Luxembourg S.A. | 6,000,000.00 | 48/D/72718/DTTP. Luxembourg |
| DZ Bank AG Deutsche Zentral- Genossenschaftsbank, New York Branch | 3,000,000.00 | 7/D/205877/DTTP. Germany |
| Goldman Sachs Bank USA | 8,000,000.00 | 13/G/351779/DTTP. US |
| HSBC France | 9,000,000.00 | 5/H/310721/DTTP. France |
| Intesa Sanpaolo S.p.A. | 8,000,000.00 | Not Applicable. Italy |
| JPMorgan Chase Bank, N.A. | 8,000,000.00 | 013/M/0268710/DTTP. US |
| KfW IPEX-Bank GmbH | 2,000,000.00 | 7/K/333018/DTTP. Germany |
| Lloyds Bank plc | 22,000,000.00 | Not Applicable. UK. |
| Mizuho Bank, Ltd. | 8,000,000.00 | Qualifying Bank. Japan |
| National Westminster Bank plc | 9,000,000.00 | N/A - UK Tax resident |
| PNC Bank, National Association | 8,000,000.00 | 13/P/63904/DTTP. US |
| Sumitomo Mitsui Banking Corporation | 2,000,000.00 | 43/S/274647/DTTP. Japan |
| Total 150,000,000 | | |

(c)

Tranche C Commitment

| Name of Lender | Amount (euro) | Treaty Passport Number and jurisdiction of tax residence (if applicable) |
|---|----------------------|---|
| Banca Nazionale Del Lavoro S.p.A. | 78,000,000.00 | Not applicable. Italy |
| Banco Santander, S.A., New York Branch | 55,000,000.00 | 9/S/267974/DTTP. Spain |
| Bank of America Merrill Lynch International Designated Activity Company | 78,000,000.00 | 12/B/374541/DTTP. Ireland |
| Bank of China Limited, London Branch | 78,000,000.00 | Not a Treaty Lender. China |
| Barclays Bank PLC | 78,000,000.00 | Not Applicable. UK. |
| Citibank Europe plc | 78,000,000.00 | 12/C/355825/DTTP. Ireland |
| Deutsche Bank Luxembourg S.A. | 55,000,000.00 | 48/D/72718/DTTP. Luxembourg |
| DZ Bank AG Deutsche Zentral-Genossenschaftsbank, New York Branch | 55,000,000.00 | 7/D/205877/DTTP. Germany |
| HSBC France | 55,000,000.00 | 5/H/310721/DTTP. France |
| Intesa Sanpaolo S.p.A. | 78,000,000.00 | Not Applicable. Italy |
| JPMorgan Chase Bank, N.A. | 78,000,000.00 | 013/M/0268710/DTTP. US |
| Mizuho Bank, Ltd. | 78,000,000.00 | Qualifying Bank. Japan |
| National Westminster Bank plc | 78,000,000.00 | N/A - UK Tax resident |
| PNC Bank, National Association | 78,000,000.00 | 13/P/63904/DTTP. US |
| | Total | |
| | 1,000,000,000 | |

(d) Tranche D Commitment

| Name of Lender | Amount (USD) | Treaty Passport Number and jurisdiction of tax residence (if applicable) |
|-------------------------------|---------------------|---|
| Bank of America N.A | 37,500,000.00 | Not Applicable. UK. |
| Barclays Bank PLC | 37,500,000.00 | Not Applicable. UK. |
| BNP Paribas | 37,500,000.00 | 005/B/0255139/DTTP. France |
| Citibank N.A, London Branch | 37,500,000.00 | Not Applicable. US |
| JPMorgan Chase Bank, N.A. | 37,500,000.00 | 013/M/0268710/DTTP. US |
| Lloyds Bank plc | 37,500,000.00 | Not Applicable. UK. |
| Mizuho Bank, Ltd. | 37,500,000.00 | Qualifying Bank. Japan |
| National Westminster Bank plc | 37,500,000.00 | N/A - UK Tax resident |
| | Total | |
| | 300,000,000 | |

Part C

The Swingline Lenders - Swingline Loan Commitments

(a) Swingline Tranche A Commitment

| Name of Swingline Lender | Amount (USD) | Treaty Passport Number and jurisdiction of tax residence (if applicable) |
|---|---------------------|---|
| Australia and New Zealand Banking Group Limited | 91,000,000.00 | 02/A/204986/DTTP. Australia. |
| Banco Santander, S.A., New York Branch | 35,000,000.00 | 9/S/267974/DTTP. Spain |
| Bank of America N.A | 38,000,000.00 | 13/B/7418/DTTP. US |
| Barclays Bank PLC | 38,000,000.00 | Not Applicable. UK. |
| BNP Paribas | 38,000,000.00 | 005/B/0255139/DTTP. France |
| Citibank N.A, London Branch | 38,000,000.00 | Not Applicable. US |
| Deutsche Bank AG New York Branch | 35,000,000.00 | 7/D/70006/DTTP. Germany |
| Goldman Sachs Bank USA | 100,000,000.00 | 13/G/351779/DTTP. US |
| HSBC France | 35,000,000.00 | 5/H/310721/DTTP. France |
| Intesa Sanpaolo S.p.A. | 54,000,000.00 | Not Applicable. Italy |
| JPMorgan Chase Bank, N.A. | 38,000,000.00 | 013/M/0268710/DTTP. US |
| Lloyds Bank plc | 84,000,000.00 | Not Applicable. UK. |
| Mizuho Bank, Ltd. | 38,000,000.00 | Qualifying Bank. Japan |
| National Westminster Bank plc | 38,000,000.00 | N/A - UK Tax resident |
| PNC Bank, National Association | 50,000,000.00 | 13/P/63904/DTTP. US |
| | Total | |
| | 750,000,000 | |

(b)

Swingline Tranche B Commitment

| Name of Swingline Lender | Amount (Sterling) | Treaty Passport Number and jurisdiction of tax residence (if applicable) |
|---|--------------------------|---|
| Australia and New Zealand Banking Group Limited | 5,000,000.00 | 02/A/204986/DTTP. Australia. |
| Banco Santander, S.A., New York Branch | 5,000,000.00 | 9/S/267974/DTTP. Spain |
| Bank of America N.A | 7,000,000.00 | Not Applicable. UK. |
| Bank of China Limited, London Branch | 7,000,000.00 | Not a Treaty Lender. China |
| Barclays Bank PLC | 10,000,000.00 | Not Applicable. UK. |
| BNP Paribas | 7,000,000.00 | Not Applicable. France |
| Citibank N.A, London Branch | 7,000,000.00 | Not Applicable. US |
| Deutsche Bank Luxembourg S.A. | 5,000,000.00 | 48/D/72718/DTTP. Luxembourg |
| Goldman Sachs Bank USA | 7,000,000.00 | 13/G/351779/DTTP. US |
| HSBC France | 8,000,000.00 | 5/H/310721/DTTP. France |
| Intesa Sanpaolo S.p.A. | 7,000,000.00 | Not Applicable. Italy |
| JPMorgan Chase Bank, N.A. | 7,000,000.00 | 013/M/0268710/DTTP. US |
| Lloyds Bank plc | 21,000,000.00 | Not Applicable. UK. |
| Mizuho Bank, Ltd. | 7,000,000.00 | Qualifying Bank. Japan |
| National Westminster Bank plc | 8,000,000.00 | N/A - UK Tax resident |
| PNC Bank, National Association | 7,000,000.00 | 13/P/63904/DTTP. US |
| | Total | |
| | 125,000,000 | |

(c)

Swingline Tranche C Commitment

| Name of Swingline Lender | Amount (euro) | Treaty Passport Number and jurisdiction of tax residence (if applicable) |
|--|--------------------------|---|
| Banca Nazionale Del Lavoro S.p.A. | 50,000,000.00 | Not applicable. Italy |
| Banco Santander, S.A., New York Branch | 25,000,000.00 | 9/S/267974/DTTP. Spain |
| Bank of China Limited, London Branch | 50,000,000.00 | Not a Treaty Lender. China |
| Barclays Bank PLC | 50,000,000.00 | Not Applicable. UK. |
| Citibank Europe plc | 50,000,000.00 | 12/C/355825/DTTP. Ireland |
| HSBC France | 25,000,000.00 | 5/H/310721/DTTP. France |
| Intesa Sanpaolo S.p.A. | 50,000,000.00 | Not Applicable. Italy |
| JPMorgan Chase Bank, N.A. | 50,000,000.00 | 013/M/0268710/DTTP. US |
| Mizuho Bank, Ltd. | 50,000,000.00 | Qualifying Bank. Japan |
| National Westminster Bank plc | 50,000,000.00 | N/A - UK Tax resident |
| PNC Bank, National Association | 50,000,000.00 | 13/P/63904/DTTP. US |
| | Total 500,000,000 | |

SCHEDULE 2

CONDITIONS PRECEDENT

Part A

Conditions precedent to initial Utilisation

Original Obligor

1. A copy of the constitutional documents of each Original Obligor which, in respect of an Original Obligor incorporated in The Netherlands, shall consist of the deed of incorporation (*oprichtingsakte*) being the articles of association (*statuten*) and an up-to-date extract (*uittreksel*) from the Dutch Commercial Register (*Handelsregister*) of such Original Obligor.
2. A copy of a resolution of the board of directors of each Original Obligor (and, if required by its existing by-laws, a copy of the resolution of the shareholders' meeting of Costa Crociere S.p.A.), approving the terms of, and the transactions contemplated by, the Finance Documents to which it is a party and, in respect of an Original Obligor incorporated in The Netherlands, confirming whether a works council (*ondernemingsraad*) is in place.
3. A specimen of the signature of each person who executes the Finance Documents and who is authorised on behalf of an Original Obligor to execute or witness the execution of any Finance Document or to sign or send any document or notice in connection with any Finance Document.
4. A copy of a resolution of the general meeting of shareholders of each Dutch Obligor:
 - (a) approving the terms of, and the transactions contemplated by, the Finance Documents to which it is (or will become) a party; and
 - (b) to the extent there is a conflict of interest (*tegenstrijdig belang*) between the member(s) of its managing board and the Dutch Obligor in respect of any of the Finance Documents or any of the transactions contemplated therein, in each case in the broadest sense, each member of the managing board is designated and appointed, in accordance with Article 2:256 of the Dutch Civil Code, as special representative of the Dutch Obligor with the power to represent the Dutch Obligor acting alone.
5. A certificate of an authorised signatory of the Company:
 - (a) confirming that utilising or (with respect to the Company and Carnival plc) guaranteeing the Total Tranche A Commitments, the Total Tranche B Commitments and the Total Tranche C Commitments (or, in the case of Costa Crociere S.p.A., utilising the Total Tranche C Commitments) in full would not breach any limit binding on any Original Obligor;
 - (b) certifying that each copy document specified in Part A of this Schedule is correct, complete and in full force and effect as at a date no earlier than the Signing Date; and
 - (c) confirming which companies are Material Subsidiaries and providing reasonable details of the calculations used to make such determinations.
6. A copy of a good standing certificate with respect to each US Borrower, issued as of a recent date by the Secretary of State or other appropriate official of each US Borrower's jurisdiction of incorporation or organisation.

7. A certificate of registration (*certificato di iscrizione*) of Costa Crociere S.p.A. with the relevant Companies' Register dated not earlier than five Business Days prior to the execution of this Agreement, confirming that no insolvency procedures have been started in relation to Costa Crociere S.p.A.

8. If the Original Obligor is incorporated in The Netherlands:

- (a) to the extent a works council (*ondernemingsraad*) is established and to the extent any rights to consult (*in de gelegenheid stellen tot advies uitbrengen*) the works council or for the works council to approve (*instemming met*) are triggered under the Dutch Works Council Act, a copy of:
 - (i) the request for advice from such works council; and
 - (ii) (A) an unconditional positive advice from such works council; or (B) advice from such works council which is not negative and does not contain any condition which, if complied with, would result in a breach of any of the Finance Documents or which conditions are not reasonably feasible to be met; or (C) a waiver to advise (*afzien van advies*) issued by such a works council; and
- (b) such evidence as may be requested by the Facilities Agent in reasonable time before the Utilisation Date to enable the Finance Parties to comply with *Wet ter voorkoming van witwassen en het financieren van terrorisme*.

Legal opinions

- 9. A legal opinion of Allen & Overy LLP, London office, English law legal advisers to the Arrangers and the Facilities Agent, addressed to the Finance Parties.
- 10. A legal opinion of Tapia, Linares y Alfaro Attorneys At Law, Panama law legal advisers, addressed to the Finance Parties.
- 11. A legal opinion of Allen & Overy LLP, New York office, New York state law legal advisers, addressed to the Finance Parties.
- 12. A legal opinion of Morris James LLP, Delaware state law legal advisers, addressed to the Finance Parties.
- 13. A legal opinion of Allen & Overy LLP, Milan office, Italian law legal advisers, addressed to the Finance Parties.

Other documents and evidence

- 14. The duly executed Finance Documents (other than any of the Utilisation Requests).
- 15. Certified copy of the Original Financial Statements.
- 16. Certified copy of the DLC Documents.
- 17. Evidence that the fees, costs and expenses then due from the Company pursuant to Clause 17 (*Fees*) and Clause 22 (*Costs and expenses*) have been paid or will be paid by the first Utilisation Date.

Part B
Conditions precedent required to be delivered by an Additional Borrower

Additional Borrowers

1. An Accession Letter, duly executed by the Additional Borrower and the Company or Carnival plc.
2. A copy of the constitutional documents of the Additional Borrower which, in respect of an Additional Borrower incorporated in The Netherlands, shall consist of a copy of the articles of association (*statuten*), the deed of incorporation (*oprichtingsakte*) and extract (*uittreksel*) from the Dutch Commercial Register (*Handelsregister*) of such Additional Borrower.
3. A copy of a resolution of the board of directors of the Additional Borrower (and, if such Additional Borrower is incorporated in Italy and it is required by its existing by-laws, a copy of the resolution of the shareholders' meeting of such Additional Borrower) approving the terms of, and the transactions contemplated by, the Accession Letter and the Finance Documents to which it is a party and, in respect of an Additional Borrower incorporated in The Netherlands, including (i) a declaration by each managing director on conflict of interest (*tegenstrijdig belang*) within the meaning of Article 2:129(6)/ 2:239(6) of the Dutch Civil Code and (ii) a confirmation whether a works council (*ondernemingsraad*) is in place.
4. To the extent required, a copy of a resolution of the general meeting of shareholders of each Additional Borrower incorporated in The Netherlands approving the terms of, and the transactions contemplated by, the Finance Documents to which it is (or will become) a party.
5. To the extent applicable, in respect of each Additional Borrower incorporated in The Netherlands, a copy of a resolution of the supervisory board of the Dutch Obligor approving the terms of, and the transactions contemplated by, the Accession Agreement and the Finance Documents and including a statement by each member of the supervisory board on conflict of interest (*tegenstrijdig belang*) within the meaning of Article 2:140(5)/2:250(5) of the Dutch Civil Code.
6. A specimen of the signature of each person who executes the Accession Letter and is authorised on behalf of the Additional Borrower to execute or witness the execution of any Finance Document or to sign or send any document or notice in connection with any Finance Document.
7. A certificate of an authorised signatory of the Additional Borrower:
 - (a) confirming that utilising the Total Tranche A Commitments, the Total Tranche B Commitments, the Total Tranche C Commitments and the Total Tranche D Commitments (or, in the case of an Additional Borrower resident in Italy, utilising the Total Tranche C Commitments) in full would not breach any limit binding on it; and
 - (b) certifying that each copy document specified in Part B of this Schedule is correct, complete and in full force and effect as at a date no earlier than the date of the Accession Letter.
8. If the proposed Additional Borrower is incorporated in Italy, a certificate of registration (*certificato di iscrizione*) of such Additional Borrower with the relevant Companies' Register dated not earlier than five Business Days prior to the execution of the relevant Accession Letter, confirming that no insolvency procedures have been started in relation to such Additional Borrower.
9. If the proposed Additional Borrower is incorporated in The Netherlands:
 - (a) to the extent a works council (*ondernemingsraad*) is established and to the extent any rights to consult (*in de gelegenheid stellen tot advies uitbrengen*) the works council or for the works

council to approve (*instemming met*) are triggered under the Dutch Works Council Act, a copy of:

- (i) the request for advice from such works council; and
 - (ii) (A) an unconditional positive advice from such works council; or (B) advice from such works council which is not negative and does not contain any condition which, if complied with, would result in a breach of any of the Finance Documents or which conditions are not reasonably feasible to be met; or (C) a waiver to advise (*afzien van advies*) issued by such a works council; and
- (b) such evidence as may be requested by the Facilities Agent in reasonable time before the Utilisation Date to enable the Finance Parties to comply with *Wet ter voorkoming van witwassen en het financieren van terrorisme* .
10. If the proposed Borrower is incorporated in the US, a copy of a good standing certificate, issued as of a recent date by the Secretary of State or other appropriate official of such US Borrower's jurisdiction of incorporation or organisation.

Legal opinions

11. A legal opinion of Allen & Overy LLP, London office, English law legal advisers to the Facilities Agent, addressed to the Finance Parties.
12. If the Additional Borrower is incorporated in a jurisdiction other than England and Wales, a legal opinion from legal advisers in that jurisdiction, addressed to the Finance Parties.

Other documents and evidence

13. A copy of any other authorisation or other document, opinion or assurance which the Facilities Agent has notified the Company is necessary or desirable in connection with the entry into and performance of the transactions contemplated by the Accession Letter or for the validity and enforceability of any Finance Document.

SCHEDULE 3
UTILISATION REQUEST

**Part A
Loans**

From: [Borrower]
To: [●] (*Facilities Agent*)
Dated: [●]

Dear Sirs

CARNIVAL CORPORATION AND CARNIVAL PLC – USD1,400,000,000, £150,000,000 and €1,000,000,000 Multicurrency Revolving Facilities Agreement dated 18 May 2011 (as amended and restated) (the *Agreement*)

1. We refer to the Agreement. This is a Loan Utilisation Request. Terms defined in the Agreement have the same meaning in this Loan Utilisation Request unless given a different meaning in this Loan Utilisation Request.
2. We wish to borrow a Loan on the following terms:
 - Tranche: [A/B/C/D]
 - Proposed Utilisation Date: [●] (or, if that is not a Business Day, the next Business Day)
 - Currency of Loan: [●]
 - Amount: [●] or, if less, the Available Facility for the Tranche indicated above
 - Interest Period: [●]
3. We confirm that each condition specified in Clause 5.4(a) (*Lenders' participation*) is satisfied on the date of this Loan Utilisation Request.
4. The proceeds of this Loan should be credited to ● [account].
5. This Loan Utilisation Request is irrevocable.

Yours faithfully

.....
authorised signatory for
[name of relevant Borrower]

Part B
Bonds

From: [Borrower]
To: [Tranche D Lender]
Copied to: [●] (*Facilities Agent*)
Dated: [●]

Dear Sirs

CARNIVAL CORPORATION AND CARNIVAL PLC – USD1,400,000,000, £150,000,000 and €1,000,000,000 Multicurrency Revolving Facilities Agreement dated 18 May 2011 (as amended and restated) (the *Agreement*)

1. We refer to the Agreement. This is a Bond Utilisation Request. Terms defined in the Agreement have the same meaning in this Bond Utilisation Request unless given a different meaning in this Bond Utilisation Request.

2. We wish to arrange for a Bond to be issued by the relevant Tranche D Lender on the following terms:

Lender: [●]

Tranche: D

Proposed Utilisation Date:[●] (or, if that is not a Business Day, the next Business Day)

Currency of Bond: [●]

Amount: [●] or, if less, the lesser of the Available Tranche D Facility and the Available Bond Facility

Beneficiary: [●]

Account Party: [●]

Term or Expiry Date: [●]

3. [We confirm that each condition specified in Clause 6.7 (*Issue of Bonds*) is satisfied on the date of this Bond Utilisation Request.]/[This is a Renewal Request and we confirm each condition specified in Clause 6.7 (*Issue of Bonds*) (other than the conditions set out in Clauses 6.4(a), 6.4(b) and 6.4(g)) is satisfied on the date of this Bond Utilisation Request.]

4. We attach a copy of the proposed Bond.

5. This Bond Utilisation Request is irrevocable.

Delivery Instructions:

[specify delivery instructions]

Yours faithfully

.....
authorised signatory for
[name of relevant Borrower]

Part C
Swingline Loan

From: [Borrower]
To: [●] (*Facilities Agent*)
Dated: [●]

Dear Sirs

CARNIVAL CORPORATION AND CARNIVAL PLC – USD1,400,000,000, £150,000,000 and €1,000,000,000 Multicurrency Revolving Facilities Agreement dated 18 May 2011 (as amended and restated) (the *Agreement*)

1. We refer to the Agreement. This is a Swingline Loan Utilisation Request. Terms defined in the Agreement have the same meaning in this Swingline Loan Utilisation Request unless given a different meaning in this Swingline Loan Utilisation Request.
2. We wish to borrow a Swingline Loan on the following terms:
 - Tranche [A/B/C]
 - Proposed Utilisation Date: [●] (or, if that is not a Business Day, the next Business Day)
 - Currency of Swingline Loan: [USD/£/€]
 - Amount: [●] or, if less, the Available Swingline [Tranche A/Tranche B/Tranche C] Facility
 - Interest Period: [●]
3. We confirm that each condition specified in Clause 8.5 (*Swingline Lenders' participation*) is satisfied on the date of this Swingline Loan Utilisation Request.
4. The proceeds of this Swingline Loan should be credited to [account].
5. This Swingline Loan Utilisation Request is irrevocable.

Yours faithfully

.....
authorised signatory for
[name of relevant Borrower]

SCHEDULE 4

FORM OF TRANSFER CERTIFICATE

To: [●] as Facilities Agent

[Copied to: The Company]¹

From: [The Existing Lender] (the *Existing Lender*) and [The New Lender] (the *New Lender*)

Dated: [●]

CARNIVAL CORPORATION AND CARNIVAL PLC – USD1,400,000,000, £150,000,000 and €1,000,000,000 Multicurrency Revolving Facilities Agreement dated 18 May 2011 (as amended and restated) (the *Agreement*)

1. We refer to the Agreement. This is a Transfer Certificate. Terms defined in the Agreement have the same meaning in this Transfer Certificate unless given a different meaning in this Transfer Certificate.

2. We refer to Clause 29.2 (*Procedure for transfer*):

- (a) The Existing Lender and the New Lender agree to the Existing Lender transferring to the New Lender by novation all or part of the Existing Lender's Commitment, rights and obligations referred to in the Schedule in accordance with Clause 29.2 (*Procedure for transfer*).
- (b) The proposed Transfer Date is [●].
- (c) The Facility Office and address, fax number and attention details for notices of the New Lender for the purposes of Clause 37.2 (*Addresses*) are set out in the Schedule.

3. The New Lender expressly acknowledges the limitations on the Existing Lender's obligations set out in of Clause 29.3 (*Limitation of responsibility of Existing Lenders*).

4. [The New Lender confirms, for the benefit of the Facilities Agent and without liability to any Obligor, that:

- (a) for the purposes of Clause 18.6 (*Lender Status Confirmation*) it is:
 - (i) [a Qualifying Lender (other than a Treaty Lender);]
 - (ii) [a Treaty Lender;]
 - (iii) [not a Qualifying Lender]; and
- (b) for the purposes of Clause 18.14 (*Lender Status Confirmation*), it is:
 - (i) [a Qualifying Lender (other than a Treaty Lender or an Exempted Lender);]
 - (ii) [a Treaty Lender;]
 - (iii) [an Exempted Lender;]
 - (iv) [not a Qualifying Lender].]

5. [The Existing Lender and the New Lender each confirm, for the benefit of the Facilities Agent and without liability to any Obligor, that following the transfer, no Obligor will be obliged to pay any greater amount under Clause 18 (*Taxes*) or Clause 19.1 (*Increased Costs*) of the Agreement or under any other provision of a Finance Document (in the circumstances (i) existing on the Transfer Date, or (ii) which the Existing Lender or the New Lender knows will apply in the twelve (12) month period following the Transfer Date) than the amounts which would have been payable but for the transfer;]

6. [The New Lender confirms that the person beneficially entitled to interest payable to that Lender in respect of an advance under a Finance Document is either:

- (a) a company resident in the United Kingdom for United Kingdom tax purposes;
- (b) a partnership each member of which is:
 - (i) a company so resident in the United Kingdom; or
 - (ii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of CTA 2009) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of CTA 2009; or
- (c) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (within the meaning of section 19 of CTA 2009) of that company.]²

[7 The New Lender confirms that it holds a passport under HMRC DT Treaty Passport scheme (reference number is []) and it is tax resident in []), and, accordingly, interest payable to it by borrowers is generally subject to full exemption from UK withholding tax and requests that the Company notify:

- (d) each Borrower which is a Party as a Borrower as at the Transfer Date; and
- (e) each Additional Borrower which becomes an Additional Borrower after the Transfer Date,

that it wishes that scheme to apply to the Agreement where such Borrower is a Borrower to which Clauses 18.2 to 18.7 apply.]³

[6/7] The New Lender represents that it is a “professional market party” (*professionele marktpartij*), as that term is used in the Netherlands Financial Supervision Act (*wet op het financieel toezicht*).

[7/8] The New Lender confirms that [it is]/[it is not] a Non-Eligible Tranche D Lender.⁴

[8/9] This Transfer Certificate may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Transfer Certificate.

[9/10] This Transfer Certificate and any non-contractual obligations arising out of or in connection with it are governed by English law.

¹ Include if the New Lender includes a Treaty Passport Scheme notification in paragraph 7. To be provided to the company within 7 days.

² Include only if the New Lender is a U.K. Non-Bank Lender.

³ Include only if the New Lender is a Treaty Passport holder required to notify under Clause 0.

⁴ Include only in relation to Tranche A Commitments.

The Schedule

Commitment/rights and obligations to be transferred

[insert relevant details]

[Facility Office address, fax number and attention details for notices and account details for payments,]

[Existing Lender] [New Lender]

By: By:

Pursuant to Clause 29.1(b), the Company consents to the transfer set out in this Transfer Certificate on [●].

Carnival Corporation

By:

This Transfer Certificate is accepted by the Facilities Agent and the Transfer Date is confirmed as [●].

[Facilities Agent]

By:

SCHEDULE 5

FORM OF ACCESSION LETTER

To: [●] as *Facilities Agent*

From: [Subsidiary] and CARNIVAL CORPORATION/CARNIVAL PLC

Dated: [●]

Dear Sirs

CARNIVAL CORPORATION AND CARNIVAL PLC – USD1,400,000,000 £150,000,000 and €1,000,000,000 Multicurrency Revolving Facilities Agreement dated 18 May 2011 (as amended and restated) (the *Agreement*)

1. We refer to the Agreement. This is an Accession Letter. Terms defined in the Agreement have the same meaning in this Accession Letter unless given a different meaning in this Accession Letter.
2. [Subsidiary] agrees to become an Additional Borrower and to be bound by the terms of the Agreement as an Additional Borrower pursuant to Clause 30.2 (*Additional Borrowers*) of the Agreement. [Subsidiary] is a company duly incorporated under the laws of [name of relevant jurisdiction].
3. [Subsidiary's] administrative details are as follows:
 - Address:
 - Fax No:
 - Attention:
4. This Accession Letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

CARNIVAL CORPORATION

[Subsidiary]

CARNIVAL PLC

SCHEDULE 6

FORM OF RESIGNATION LETTER

To: [●] as *Facilities Agent*
From: [resigning Borrower] and CARNIVAL CORPORATION/CARNIVAL PLC
Dated: [●]

Dear Sirs

CARNIVAL CORPORATION AND CARNIVAL PLC – USD1,400,000,000, £150,000,000 and €1,000,000,000 Multicurrency Revolving Facilities Agreement dated 18 May 2011 (as amended and restated) (the *Agreement*)

1. We refer to the Agreement. This is a Resignation Letter. Terms defined in the Agreement have the same meaning in this Resignation Letter unless given a different meaning in this Resignation Letter.
2. Pursuant to Clause 30.3 (*Resignation of a Borrower*), we request that [resigning Borrower] be released from its obligations as a Borrower under the Agreement.
3. We confirm that:
 - (a) no Default is outstanding or would result from the acceptance of this request; and

(b) as at the date of this request no amount owed by [resigning Borrower] under the Agreement is outstanding.

4. This Resignation Letter and any non-contractual obligations arising out of or in connection with it are governed by English law.

CARNIVAL CORPORATION

[Subsidiary]

By:

By:

CARNIVAL PLC

By:

SCHEDULE 7

FORM OF COMPLIANCE CERTIFICATE

To: [●] as *Facilities Agent*

From: CARNIVAL CORPORATION

Dated: [●]

Dear Sirs

CARNIVAL CORPORATION AND CARNIVAL PLC – USD1,400,000,000, £150,000,000 and €1,000,000,000 Multicurrency Revolving Facilities Agreement dated 18 May 2011 (as amended and restated) (the Agreement)

- 1. We refer to the Agreement. This is a Compliance Certificate. Terms defined in the Agreement have the same meaning when used in this Compliance Certificate unless given a different meaning in this Compliance Certificate.
- 2. We confirm that as at [relevant testing date] the aggregate of Borrowed Moneys was []; and Consolidated Capital was []; therefore the aggregate of Borrowed Moneys as a percentage of Consolidated Capital was [].
- 3. We set out below calculations establishing the figures in paragraph 2 above:
[].
- 4. [We confirm that no Default is outstanding as at [relevant testing date]**]

Signed:

Senior Financial Officer
of

CARNIVAL CORPORATION

* If this statement cannot be made, the certificate should identify any Default that is outstanding and the steps, if any, being taken to remedy it.

SCHEDULE 8

FORM OF CONFIDENTIALITY UNDERTAKING

To: [Transferring Lender]

Re: CARNIVAL CORPORATION – USD1,400,000,000, £150,000,000 and €1,000,000,000 Multicurrency Revolving Facilities Agreement dated 18 May 2011 (as amended and restated) (the *Agreement*)

Carnival Plc. and Carnival Corporation (the *Company*)

Amount:

Facilities Agent:

Dear Sirs

We are considering acquiring an interest in the Agreement which, subject to the Agreement, may be by way of novation, assignment, the entering into, whether directly or indirectly, of a sub-participation or any other transaction under which payments are to be made or may be made by reference to one or more Finance Documents and/or one or more Obligors or by way of investing in or otherwise financing, directly or indirectly, any such novation, assignment, sub-participation or other transaction (the *Acquisition*). In consideration of you agreeing to make available to us certain information, by our signature of this letter we agree as follows (acknowledged and agreed by you by your signature of a copy of this letter):

1. CONFIDENTIALITY UNDERTAKING

We undertake (a) to keep all Confidential Information confidential and not to disclose it to anyone save to the extent permitted by paragraph 2 below and to ensure that all Confidential Information is protected with security measures and a degree of care that would apply to our own confidential information and (b) until the Acquisition is completed to use the Confidential Information only for the Permitted Purpose.

2. PERMITTED DISCLOSURE

You agree that we may disclose:

- (a) to any of our Affiliates and any of our or their officers, directors, employees, professional advisers and auditors such Confidential Information as we shall consider appropriate if any person to whom the Confidential Information is to be given pursuant to this paragraph 2(a) is informed in writing of its confidential nature and that some or all of such Confidential Information may be price-sensitive information, except that there shall be no such requirement to so inform if the recipient is subject to professional obligations to maintain the confidentiality of the information or is otherwise bound by requirements of confidentiality in relation to the Confidential Information;
- (b) subject to the requirements of the Agreement, to any person:
 - (i) to (or through) whom we assign or transfer (or may potentially assign or transfer) all or any of our rights and/or obligations which we may acquire under the Agreement such Confidential Information as we shall consider appropriate if the person to whom the Confidential Information is to be given pursuant to this sub-paragraph (i) of paragraph 2(b) has delivered a letter to us in equivalent form to this letter;

- (ii) with (or through) whom we enter into (or may potentially enter into) any sub-participation in relation to, or any other transaction under which payments are to be made or may be made by reference to the Agreement or any Obligor such Confidential Information as we shall consider appropriate if the person to whom the Confidential Information is to be given pursuant to this sub-paragraph (ii) of paragraph 2(b) has delivered a letter to us in equivalent form to this letter;
 - (iii) to whom information is required or requested to be disclosed by any governmental, banking, taxation or other regulatory authority or similar body, the rules of any relevant stock exchange or pursuant to any applicable law or regulation such Confidential Information as we shall consider appropriate; and
- (c) notwithstanding paragraphs 2(a) and 2(b). above, Confidential Information to such persons to whom, and on the same terms as, a Finance Party is permitted to disclose Confidential Information under the Agreement, as if such permissions were set out in full in this letter and as if references in those permissions to Finance Party were references to us.

3. NOTIFICATION OF DISCLOSURE

We agree (to the extent permitted by law and regulation) to inform you:

- (a) of the circumstances of any disclosure of Confidential Information made pursuant to sub-paragraph (iii) of paragraph 2(b) above except where such disclosure is made to any of the persons referred to in that paragraph during the ordinary course of its supervisory or regulatory function; and
- (b) upon becoming aware that Confidential Information has been disclosed in breach of this letter.

4. RETURN OF COPIES

If we do not enter into the Acquisition and you so request in writing, we shall return all Confidential Information supplied by you to us and destroy or permanently erase (to the extent technically practicable) all copies of Confidential Information made by us and use our reasonable endeavours to ensure that anyone to whom we have supplied any Confidential Information destroys or permanently erases (to the extent technically practicable) such Confidential Information and any copies made by them, in each case save to the extent that we or the recipients are required to retain any such Confidential Information by any applicable law, rule or regulation or by any competent judicial, governmental, supervisory or regulatory body or in accordance with internal policy, or where the Confidential Information has been disclosed under paragraph 2(b)(iii) above.

5. CONTINUING OBLIGATIONS

The obligations in this letter are continuing and, in particular, shall survive and remain binding on us until (a) if we acquire an interest in the Agreement by way of novation, the date on which we acquire such an interest; (b) if we enter into the Acquisition other than by way of novation, the date falling 24 months after termination of that Acquisition; or (c) in any other case 24 months after the date of this letter.

6. NO REPRESENTATION; CONSEQUENCES OF BREACH, ETC

We acknowledge and agree that:

- (a) neither you nor any member of the Group nor any of your or their respective officers, employees or advisers (each a **Relevant Person**) (i) make any representation or warranty, express or implied,

as to, or assume any responsibility for, the accuracy, reliability or completeness of any of the Confidential Information or any other information supplied by you or the assumptions on which it is based or (ii) shall be under any obligation to update or correct any inaccuracy in the Confidential Information or any other information supplied by you or be otherwise liable to us or any other person in respect of the Confidential Information or any such information; and

- (b) you or members of the Group may be irreparably harmed by the breach of the terms of this letter and damages may not be an adequate remedy; each Relevant Person may be granted an injunction or specific performance for any threatened or actual breach of the provisions of this letter by us.

7. ENTIRE AGREEMENT: NO WAIVER; AMENDMENTS, ETC

- (a) This letter constitutes the entire agreement between us in relation to our obligations regarding Confidential Information and supersedes any previous agreement, whether express or implied, regarding Confidential Information.
- (b) No failure or delay in exercising any right or remedy under this letter will operate as a waiver thereof nor will any single or partial exercise of any right or remedy preclude any further exercise thereof or the exercise of any other right or remedy under this letter.
- (c) The terms of this letter and our obligations under this letter may only be amended or modified by written agreement between us and the Company.

8. INSIDE INFORMATION

We acknowledge that some or all of the Confidential Information is or may be price-sensitive information and that the use of such information may be regulated or prohibited by applicable legislation including securities law relating to insider dealing and market abuse and we undertake not to use any Confidential Information for any unlawful purpose.

9. NATURE OF UNDERTAKINGS

The undertakings given by us under this letter are given to you and are also given for the benefit of the Company and each other member of the Group.

10. THIRD PARTY RIGHTS

- (a) Subject to this paragraph 10 and to paragraphs 6 and 9, a person who is not a party to this letter has no right under the Contracts (Rights of Third Parties) Act 1999 (the *Third Parties Act*) to enforce or to enjoy the benefit of any term of this letter.
- (b) The Relevant Persons may enjoy the benefit of the terms of paragraphs 6 and 9 subject to and in accordance with this paragraph 10 and the provisions of the Third Parties Act.
- (c) Notwithstanding any provisions of this letter, the parties to this letter do not require the consent of any Relevant Person (other than the Company) to rescind or vary this letter at any time.

11. GOVERNING LAW AND JURISDICTION

- (a) This letter (including the agreement constituted by your acknowledgement of its terms) (the *Letter*) and any non-contractual obligations arising out of or in connection with it (including any non-contractual obligations arising out of the negotiation of the transaction contemplated by this Letter) are governed by English Law.

- (b) The courts of England have non-exclusive jurisdiction to settle any dispute arising out of or in connection with this Letter (including a dispute relating to any non-contractual obligation arising out of or in connection with either this Letter or the negotiation of the transaction contemplated by this Letter).

12. DEFINITIONS

In this letter (including the acknowledgement set out below) terms defined in the Agreement shall, unless the context otherwise requires, have the same meaning and:

Confidential Information means all information relating to the Company, any Obligor, the Group, the Finance Documents, a Facility and/or the Acquisition which is provided to us in relation to the Finance Documents or a Facility by you or any of your affiliates or advisers, in whatever form, and includes information given orally and any document, electronic file or any other way of representing or recording information which contains or is derived or copied from such information but excludes information that:

- (a) is or becomes public information other than as a direct or indirect result of any breach by us of this letter; or
- (b) is identified in writing at the time of delivery as non-confidential by you or your advisers; or
- (c) is known by us before the date the information is disclosed to us by you or any of your affiliates or advisers or is lawfully obtained by us after that date, from a source which is, as far as we are aware, unconnected with the Group and which, in either case, as far as we are aware, has not been obtained in breach of, and is not otherwise subject to, any obligation of confidentiality;

Group means the Company and its subsidiaries for the time being (as such term is defined in the Companies Act 2006); and

Permitted Purpose means considering and evaluating whether to enter into the Acquisition.

Please acknowledge your agreement to the above by signing and returning the enclosed copy.

Yours faithfully

.....
For and on behalf of
[Potential Purchaser]

To: [Potential Purchaser]

We acknowledge and agree to the above:

.....
For and on behalf of
[Seller]

SCHEDULE 9

TIMETABLES

Each time shown below represents the Specified Time by which the relevant action listed in the far left column must be completed on a particular day:

**Part A
Loans**

| | Loans in US Dollars | Loans in euro | Loans in sterling | Loans in other currencies |
|--|--|--|--|---|
| Facilities Agent notifies the Company if a currency is approved as an Optional Currency in accordance with Clause 11.3 (<i>Conditions relating to Optional Currencies</i>) | | | | 3:00 pm (London time) 4 Business Days before the proposed Utilisation Date |
| Delivery of a duly completed Loan Utilisation Request (Clause 5.1 (<i>Delivery of a Loan Utilisation Request</i>)) | 4:00 pm (London time) 3 Business Days before the proposed Utilisation Date | 4:00 pm (London time) 3 Business Days before the proposed Utilisation Date | 4:00 pm (London time) 1 Business Day before the proposed Utilisation Date | 4:00 pm (London time) 3 Business Days before the proposed Utilisation Date |
| Facilities Agent notifies the Lenders of the Loan in accordance with Clause 5.4 (<i>Lender's participation</i>) | 5:00 pm (London time) 3 Business Days before the proposed Utilisation Date | 5:00 pm (London time) 3 Business Days before the proposed Utilisation Date | 5:00 pm (London time) 1 Business Days before the proposed Utilisation Date | 5:00 pm (London time) 3 Business Days before the proposed Utilisation Date |
| Facilities Agent receives a notification from a Lender under Clause 11.2 (<i>Unavailability of a currency</i>) | | | | 9:00 am (London time) 2 Business Days before the proposed Utilisation Date |
| Facilities Agent gives notice in accordance with Clause 11.2 (<i>Unavailability of a currency</i>) | | | | 10:00 am (London time) 2 Business Days before the proposed Utilisation Date |
| LIBOR or EURIBOR is fixed | 11:00 am (London time) on the Quotation Day | 11:00 am (Brussels time) on the Quotation Day | 11:00 am (London time) on the Quotation Day | 11:00 am (London time) on the Quotation Day |
| Lenders to make available their participation in a Loan under Clause 5.4 (<i>Lenders' participation</i>) | 2:00 pm (London time) on the Utilisation Date | 2:00 pm (London time) on the Utilisation Date | 2:00 pm (London time) on the Utilisation Date | 2:00 pm (London time) on the Utilisation Date |

**Part B
Bonds**

| | |
|--|--|
| Facilities Agent notifies the Company if a currency is approved as an Optional Currency in accordance with Clause 11.3 (<i>Conditions relating to Optional Currencies</i>) | 8 Business Days before the proposed Bond Utilisation |
| Delivery of a duly completed Bond Utilisation Request (Clause 6.3 (<i>Delivery of a Bond Utilisation Request</i>)) | 3:00 pm (London time) 3 Business Days before the proposed Bond Utilisation |
| Facilities Agent notifies the relevant Tranche D Lenders of the Bond in accordance with Clause 6.7 (<i>Issue of Bonds</i>) | 5:00 pm (London time) 3 Business Days before the proposed Bond Utilisation |
| Delivery of a duly completed Renewal Request (Clause (a) (<i>Renewal of a Bond</i>)) | 2 Business Days before the proposed Bond Utilisation on renewal. |

**Part C
Swingline Loans**

| | Tranche A | Tranche B | Tranche C |
|---|--|--|--|
| Delivery of a duly completed Swingline Loan Utilisation Request (Clause 8.2 (<i>Delivery of a Swingline Loan Utilisation Request</i>)) | 11:00 am (New York time) on the Utilisation Date | 10:30 am (London time) on the Utilisation Date | 9:00 am (London time) on the Utilisation Date |
| Facilities Agent notifies each Swingline Lender of the amount of its participation in the Swingline Loan under Clause 8.5 (<i>Swingline Lenders' participation</i>) | 11:30 am (New York time) on the Utilisation Date | 11:00 am (London time) on the Utilisation Date | 10:00 am (London time) on the Utilisation Date |
| Facilities Agent determines the prime commercial lending rate under Clause 9.6 (<i>Interest</i>) | 9:30 am (New York time) on the Utilisation Date | Not applicable | Not applicable |
| Lenders to make available their participation in a Loan under Clause 8.5 (<i>Swingline Lenders' participation</i>) | 2:00 pm (New York time) on the Utilisation Date | 2:00 pm (London time) on the Utilisation Date | 2:00 pm (London time) on the Utilisation Date |

SCHEDULE 10

FORM OF INCREASE CONFIRMATION

To: [●] as Facilities Agent and Carnival Corporation as the Company, for and on behalf of each Obligor

[Copied to: The Company]⁵

From: [the *Increase Lender*] (the ***Increase Lender***)

Dated: [●]

Dear Sirs

CARNIVAL CORPORATION AND CARNIVAL PLC – USD1,400,000,000, £150,000,000 and €1,000,000,000 Multicurrency Revolving Facilities Agreement dated 18 May 2011 (as amended and restated) (the *Agreement*)

1. We refer to the Agreement. This is an Increase Confirmation. Terms defined in the Agreement have the same meaning in this Increase Confirmation unless given a different meaning in this Increase Confirmation.
2. We refer to Clause 2.2 (*Increase*).
3. The Increase Lender agrees to assume and will assume all of the obligations corresponding to the [Commitment/Swingline Commitment] specified in the Schedule (the ***Relevant Commitment***) as if it was an Original Lender under the Agreement.
4. The proposed date on which the increase in relation to the Increase Lender and the Relevant Commitment is to take effect (the ***Increase Date***) is [●].
5. On the Increase Date, the Increase Lender becomes party to the Finance Documents as a Lender.
6. The Facility Office and address, fax number and attention details for notices to the Increase Lender for the purposes of Clause 37.2 (*Addresses*) are set out in the Schedule.
7. The Increase Lender expressly acknowledges the limitations on the Lenders' obligations referred to in Clause 2.2(g) (*Increase*).
8. The Increase Lender confirms, for the benefit of the Facilities Agent and without liability to any Obligor, that:
 - (a) for the purposes of Clause 18.6 (*Lender Status Confirmation*), it is:
 - (i) [a Qualifying Lender (other than a Treaty Lender)];
 - (ii) [a Treaty Lender];
 - (iii) [not a Qualifying Lender]; and
 - (b) for the purposes of Clause 18.14 (*Lender Status Confirmation*), it is:
 - (i) [a Qualifying Lender (other than a Treaty Lender or an Exempted Lender)];
 - (ii) [a Treaty Lender];
 - (iii) [an Exempted Lender];
 - (iv) [not a Qualifying Lender].

9. [The Increase Lender confirms that the person beneficially entitled to interest payable to that Lender in respect of an advance under a Finance Document is either:

- (a) a company resident in the United Kingdom for United Kingdom tax purposes; or
- (b) a partnership each member of which is:
 - (i) a company so resident in the United Kingdom; or
 - (ii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of CTA 2009) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of CTA 2009; or
- (c) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (within the meaning of section 19 of CTA 2009) of that company.]⁶

[9 The Increase Lender confirms that it holds a passport under the HMRC DT Treaty Passport reference number is [] and it is tax resident in []⁷), and, accordingly, interest payable to it by borrowers is generally subject to full exemption from UK withholding tax and requests that the Company notify;

- (a) each Borrower which is a Party as a Borrower as at the Increase Date; and
- (d) each Additional Borrower which becomes an Additional Borrower after the Increase Date,

that it wishes that scheme to apply to the Agreement where such Borrower is a Borrower to which Clauses 18.2 to 18.7 apply.]⁸

[10/11.] The Increase Lender confirms that [it is]/[it is not] a Non-Eligible Tranche D Lender.⁹

[11/12.] This Increase Confirmation may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this Increase Confirmation.

[12/13.] This Increase Confirmation and any non-contractual obligations arising out of or in connection with it are governed by English law.

[13/14.] This Agreement has been entered into on the date stated at the beginning of this Agreement.

⁵ Include if the Increase Lender includes a Treaty Passport Scheme notification (see clause 0). To be provided to the Company within 7 days.

⁶ Include only if New Lender is a U.K. Non-Bank Lender i.e. falls within such definition in Clause 0 (*General*).

⁷ Insert jurisdiction of tax residence.

⁸ Include only if the Increase Lender holds a passport under the HMRC DT Treaty Passport scheme and wishes that scheme to apply to the Agreement.

⁹ Include only in relation to Tranche A Commitments.

THE SCHEDULE
Relevant Commitment/rights and obligations to be assumed by the Increase Lender

[insert relevant details]

[Facility office address, fax number and attention details for notices and account details for payments]

[Increase Lender]

By:

This Increase Confirmation is accepted as an Increase Confirmation for the purposes of the Agreement by the Facilities Agent and the Increase Date is confirmed as [●].

Facilities Agent

By:

SCHEDULE 11

FORM OF EXTENSION REQUEST

From: CARNIVAL CORPORATION

To: [●] (*Facilities Agent*)

Dated: [●]

Dear Sirs

CARNIVAL CORPORATION AND CARNIVAL PLC – USD1,400,000,000, £150,000,000 and €1,000,000,000 Multicurrency Revolving Facilities Agreement dated 18 May 2011 (as amended and restated) (the *Agreement*)

1. We refer to the Agreement. This is [an Initial/a Second] Extension Request. Terms defined in the Agreement have the same meaning in this Extension Request unless given a different meaning in this Extension Request.

2. We wish to extend the Termination Date as follows:

Termination Date: [12/24 months] after the Original Termination Date

Facility(ies): [A/B/C/D]

[Part of Facility(ies): [●]]

Yours faithfully

.....
authorised signatory for
CARNIVAL CORPORATION

[.....
authorised signatory for
[Italian Obligor]]

SCHEDULE 12
SCREEN RATE CONTINGENCY PERIODS

| Screen Rate | Period |
|--------------------|---------------|
| LIBOR | 1 Month |
| EURIBOR | 1 Month |

SCHEDULE 13
FORM OF SELF-DECLARATION¹⁰

[on Lender's letterhead – to be delivered in original]

To:

Cc:

Name of the [Lender]:¹¹

[Lender's] full address:

Name of the [Lender's] legal representative:^{12 13}

Legal representative's lieu and date of birth:

Legal representative's full address:

This certificate relates to the Tranche C Commitment.

The undersigned, in [his/her/their] capacity as legal representative[s] of [name of Lender], in referring to the Facilities Agreement for Multicurrency Revolving Facilities dated 18 May 2011 (as amended and restated on 16 June 2014 and 6 August 2019) between, among others, [], [], (as Original Lender) and [] (as Facilities Agent) (the "**Facilities Agreement**"), declare[s] for the purposes of article 26, paragraph 5-*bis*, of the Italian Presidential Decree no. 600/1973 that¹⁴:

1. [Lender¹⁵] is a bank established in [EU country of establishment] [and is resident for tax purposes therein] not acting for the purposes of the Finance Documents through a permanent establishment (stabile organizzazione) located outside of the European Union¹⁶;

or
2. [Lender] is an insurance company incorporated in, and authorised according to the law of, [EU country], and is resident for tax purposes therein;

or
3. [Lender] is: (i) a foreign institutional investor in the meaning of article 6, paragraph 1, let. b), of the Italian Legislative Decree no. 239/1996, set up in a country allowing an adequate exchange of information with Italy which is included in the Italian Ministerial decree 4 September 1996 as amended from time to time or in any subsequent legislation, and (ii) subject to regulatory supervision in the state where it is set up.

and
4. [Lender] is the beneficial owner for tax purposes of any payments payable to [Lender] under the Facilities Agreement.

and
5. The [Lender]'s activity in connection with the Facilities Agreement is not in breach of the provisions of the Italian Banking Law (Legislative Decree No. 358 dated 1 September 1993) relating to reserved matters which set forth the restrictions applicable to lending activities vis-à-vis the public.

and
6. The information contained herein is true and the [Lender] commits itself to communicate any new circumstances that modify any of the information provided or the statements made above while it remains [a Party to the Facilities Agreement/ a sub-participant].

Date Signature

[*name and surname*]

Annex: with respect to the entity under n. 3 above, adequate documentation supporting that it is subject to regulatory supervision.

¹⁰ To the extent that the Lender has entered into a sub-participation of any of the Loans it has advanced under this Agreement, this certificate should be completed by such sub-participant.

¹¹ Please indicate details of Facility Office holding the Commitments (including name, address and tax local tax registration number), where applicable.

¹² If there is more than one individual having powers to represent the Lender jointly, please indicate details of each such individual (including name and address).

¹³ If legal representative is a legal entity, please indicate details of the individual legal representative of such legal entity (including name and address).

¹⁴ Please flag the relevant box.

¹⁵ Please indicate the branch office granting the loan if this is the case.

¹⁶ Not applicable in case of branch/permanent establishment.

SCHEDULE 14

ORIGINAL LENDING AFFILIATES

PART I

The Original Lending Affiliates - other than UK Non-Bank Lenders

| Name of Original Lender | Name of Original Lending Affiliate(s) | Treaty Passport scheme reference number and jurisdiction of tax residence (if applicable) of Original Lending Affiliate | Lending Affiliate Utilisation(s) |
|---|--|--|--|
| Bank of America Merrill Lynch International Designated Activity Company | Bank of America, N.A. | 13/B/7418/DTTP. US | Utilisations denominated in euro to a US Borrower |
| Banca Nazionale del Lavoro SPA | BNP Paribas | 005/B/0255139/DTTP. France | Utilisations denominated in euro to any Borrower other than a Borrower incorporated in Italy |

SCHEDULE 15

FORM OF NEW LENDING AFFILIATE APPOINTMENT NOTICE

To: [] as Facilities Agent

From: [The Appointing Lender] (the "**Appointing Lender**") and [The New Lending Affiliate] (the "**New Lending Affiliate**")

Dated:

**[Company] – [] Facilities Agreement
dated [] (the "Agreement")**

1. We refer to the Agreement. This is a New Lending Affiliate Appointment Notice. Terms defined in the Agreement have the same meaning in this New Lending Affiliate Appointment Notice unless given a different meaning in this New Lending Affiliate Appointment Notice.
2. We refer to Clause 44.3 (Appointment of New Lending Affiliates) of the Agreement:
 - (a) The Appointing Lender appoints the New Lending Affiliate as a party to the Agreement as a New Lending Affiliate of the Appointing Lender and the New Lending Affiliate agrees to that appointment.
 - (b) The proposed Appointment Date is [].
 - (c) The Facility Office of the New Lending Affiliate is set out in the Schedule.
3. The New Lending Affiliate confirms, for the benefit of the Facilities Agent and without liability to any Obligor, that
 - (a) for the purposes of Clause 18.6 (*Lender Status Confirmation*) it is:
 - (i) [a Qualifying Lender (other than a Treaty Lender);]
 - (ii) [a Treaty Lender;]
 - (iii) [not a Qualifying Lender]; and
 - (b) for the purposes of Clause 18.14 (*Lender Status Confirmation*), it is:
 - (iv) [a Qualifying Lender (other than a Treaty Lender or an Exempted Lender);]
 - (v) [a Treaty Lender;]

- (vi) [an Exempted Lender;]
- (vii) [not a Qualifying Lender.]

4. [The New Lending Affiliate confirms that the person beneficially entitled to interest payable to that New Lending Affiliate in respect of an advance under a Finance Document is either:

- (a) a company resident in the United Kingdom for United Kingdom tax purposes;
- (b) a partnership each member of which is:
 - (i) a company so resident in the United Kingdom; or
 - (ii) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account in computing its chargeable profits (within the meaning of section 19 of the CTA) the whole of any share of interest payable in respect of that advance that falls to it by reason of Part 17 of the CTA; or
- (c) a company not so resident in the United Kingdom which carries on a trade in the United Kingdom through a permanent establishment and which brings into account interest payable in respect of that advance in computing the chargeable profits (within the meaning of section 19 of the CTA) of that company.]¹⁷

5. [The New Lending Affiliate confirms that it holds a passport under the HMRC DT Treaty Passport scheme (reference number []) and is tax resident in []*, so that interest payable to it by borrowers is generally subject to full exemption from UK withholding tax and requests that the Company notify:

- (a) each Borrower which is a Party as a Borrower as at the Appointment Date; and
 - (b) each Additional Borrower which becomes an Additional Borrower after the Appointment Date,
- that it wishes that scheme to apply to the Agreement.]**

[5/6]. This New Lending Affiliate Appointment Notice may be executed in any number of counterparts and this has the same effect as if the signatures on the counterparts were on a single copy of this New Lending Affiliate Appointment Notice.

[6/7]. This New Lending Affiliate Appointment Notice and any non-contractual obligations arising out of or in connection with it are governed by English law.

[7/8]. This New Lending Affiliate Appointment Notice has been entered into on the date stated at the beginning of this New Lending Affiliate Appointment Notice.

¹⁷ Include if the New Lending Affiliate comes within paragraph (i)(B) of the definition of Qualifying Lender in Clause 15.1 *Definitions*).

* Insert jurisdiction of tax residence.

** Include if the New Lending Affiliate holds a passport under the HMRC DT Treaty Passport scheme and wishes that scheme to apply to the Agreement.

THE SCHEDULE

[New Lending Affiliate's Facility Office and account details for payments]

[Appointing Lender]

[New Lending Affiliate]

By:

By:

This New Lending Affiliate Appointment Notice is accepted by the Facilities Agent and the Appointment Date is confirmed as [].

[Facilities Agent]

By:

SCHEDULE 16

FORM OF LENDING AFFILIATE UTILISATION NOTICE

To: [] as Agent and [] as Company

From: [The Appointing Lender] (the "**Appointing Lender**") and [the Lending Affiliate] (the "**Lending Affiliate**")

Dated:

**[Company] – [] Facilities Agreement
dated [] (the "Agreement")**

1. We refer to the Agreement. This is a Lending Affiliate Utilisation Notice. Terms defined in the Agreement have the same meaning in this Lending Affiliate Utilisation Notice unless given a different meaning in this Lending Affiliate Utilisation Notice.

2. We refer to Clause 44.5 (Nomination of Lending Affiliate Utilisations) of the Agreement. The Appointing Lender nominates the Lending Affiliate to participate in:
- [specify, by reference to one or more of the criteria listed in paragraph (f) of Clause 44.5 (Nomination of Lending Affiliate Utilisations) of the Agreement, each individual Utilisation or class of Utilisation, in which the Lending Affiliate is to participate in place of the Appointing Lender]
- ("the Lending Affiliate Utilisation[s]").**
3. The Lending Affiliate confirms that it is a Party as a Lending Affiliate, acknowledges the nomination described in paragraph 2 above and confirms that it shall participate in the Lending Affiliate Utilisation[s].

[Appointing Lender]

By:

[Lending Affiliate]

By:

SCHEDULE 17

FORM OF LENDING AFFILIATE RESIGNATION NOTICE

To: [] as Agent

From: [Resigning Lending Affiliate] (the "**Resigning Lending Affiliate**") and [Appointing Lender] (the "**Appointing Lender**")

Dated:

**[Company] – [] Facilities Agreement
dated [] (the "Agreement")**

1. We refer to the Agreement. This is a Lending Affiliate Resignation Notice. Terms defined in the Agreement have the same meaning in this Lending Affiliate Resignation Notice unless given a different meaning in this Lending Affiliate Resignation Notice.
2. We refer to Clause 44.13 (Resignation of Lending Affiliate) of the Agreement and request that the Resigning Lending Affiliate cease to be a Lending Affiliate under the Agreement.

3. We confirm that:
- (a) no Lending Affiliate Utilisation in respect of which the Resigning Lending Affiliate has rights or obligations under the Agreement is outstanding; and
 - (b) any nomination of the Lending Affiliate to participate in any Utilisation, or class of Utilisation, shall be cancelled on the Facilities Agent's acceptance of this Lending Affiliate Resignation Notice.
4. This Lending Affiliate Resignation Notice and any non-contractual obligations arising out of or in connection with it are governed by English law.
- [Resigning Lending Affiliate]
- By:
- [Appointing Lender]
- By:

SIGNATORIES

Borrowers

CARNIVAL CORPORATION

By: Darrell Campbell

CARNIVAL PLC

By: Darrell Campbell

COSTA CROCIERE S.p.A.

By: Darrell Campbell

CC U.S. VENTURES, INC.

By: Darrell Campbell

Guarantors

CARNIVAL CORPORATION

By: Darrell Campbell

CARNIVAL PLC

By: Darrell Campbell

Facilities Agent

BANK OF AMERICA MERRILL LYNCH INTERNATIONAL DESIGNATED ACTIVITY COMPANY

By: Kevin Day

Arrangers

AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED

By: Nicholas Hill

BANCO SANTANDER, S.A., NEW YORK BRANCH

By: Rita Walz-Cuccioli

BANCO SANTANDER, S.A., NEW YORK BRANCH

By: Terence Corcoran

BANK OF AMERICA MERRILL LYNCH INTERNATIONAL DESIGNATED ACTIVITY COMPANY

By: Scot P Mitchell

BANK OF CHINA LIMITED, LONDON BRANCH

By: Steve Hardman Liang Xiao

BARCLAYS BANK PLC

By: Niels Pedersen

BAYERISCHE LANDESBANK, NEW YORK BRANCH

By: Gina Sandella By: David J. Smith

BNP PARIBAS

By: S. Duranti S. Gates

CITIGROUP GLOBAL MARKETS LIMITED

By: Lucy Devlin

DEUTSCHE BANK LUXEMBOURG S.A.

By: C. Koch M. Lutz

DZ BANK AG DEUTSCHE ZENTRAL-GENOSSENSCHAFTSBANK, NEW YORK BRANCH

By: Harry Moreno Richard Wilbert

GOLDMAN SACHS BANK USA

By: Ryan Durkin

HSBC FRANCE

By: Xiaoping Guo Ghislain Nguyen

INTESA SANPAOLO S.P.A.

By: Paul Samuels Gianluca Fiore

JPMORGAN CHASE BANK, N.A.

By: Jaime Gitier

KFW IPEX-BANK GMBH

By: André Tiele Arne Osthues

LLOYDS BANK PLC

By: Vijay Chauhan

MIZUHO BANK, LTD.

By: Robert Pettitt

NATIONAL WESTMINSTER BANK PLC

By: Graham Gibson

PNC CAPITAL MARKETS, LLC

By: Brian Prettyman

SUMITOMO MITSUI BANKING CORPORATION

By: Michael Maguire

Lenders

AUSTRALIA AND NEW ZEALAND BANKING GROUP LIMITED

By: Nicholas Hill

BANCA NAZIONALE DEL LAVORO S.P.A.

By: Ugo Fantini Massimo Beani

BANCO SANTANDER, S.A., NEW YORK BRANCH

By: Rita Walz-Cuccioli

BANCO SANTANDER, S.A., NEW YORK BRANCH

By: Terence Corcoran

BANK OF AMERICA MERRILL LYNCH INTERNATIONAL DESIGNATED ACTIVITY COMPANY

By: Chris Coney

BANK OF AMERICA N.A.

By: Brandon Bolio

BANK OF CHINA LIMITED, LONDON BRANCH

By: Steve Hardman Liang Xiao

BARCLAYS BANK PLC

By: Niels Pedersen

BAYERISCHE LANDESBANK, NEW YORK BRANCH

By: Gina Sandella By: David J. Smith

BNP PARIBAS

By: Donna LaSpina Louis-Marie Angevin
(Tranche A Commitment, Tranche D Commitment and Swingline Tranche A Commitment)

By: S. Duranti S. Gates
(Tranche B Commitment and Swingline Tranche B Commitment)

CITIBANK EUROPE PLC

By: Lucy Devlin

CITIBANK N.A., LONDON BRANCH

By: Lucy Devlin

DEUTSCHE BANK AG NEW YORK BRANCH

By: Ming K. Chu Virginia Cosenza

DEUTSCHE BANK LUXEMBOURG S.A

By: C. Koch M. Lutz

DZ BANK AG DEUTSCHE ZENTRAL-GENOSSENSCHAFTSBANK, NEW YORK BRANCH

By: Harry Moreno Richard Wilbert

GOLDMAN SACHS BANK USA

By: Ryan Durkin

HSBC FRANCE

By: Xiaoping Guo Ghislain Nguyen

INTESA SANPAOLO S.P.A

By: Paul Samuels Gianluca Fiore

JPMORGAN CHASE BANK, N.A.

By: Jaime Gitier

KFW IPEX-BANK GMBH

By: André Tiele Arne Osthues

LLOYDS BANK PLC

By: Vijay Chauhan

MIZUHO BANK, LTD.

By: Robert Pettitt

NATIONAL WESTMINSTER BANK PLC

By: Graham Gibson

PNC BANK, NATIONAL ASSOCIATION

By: Britton S Core

SUMITOMO MITSUI BANKING CORPORATION

By: Michael Maguire

New Lenders

BANK OF AMERICA MERRILL LYNCH INTERNATIONAL DESIGNATED ACTIVITY COMPANY

By: Chris Coney

BANK OF CHINA LIMITED, LONDON BRANCH

By: Steve Hardman Liang Xiao

CITIBANK EUROPE PLC

By: Lucy Devlin

DEUTSCHE BANK LUXEMBOURG S.A.

By: C. Koch M. Lutz

HSBC FRANCE

By: Xiaoping Guo Ghislain Nguyen

NATIONAL WESTMINSTER BANK PLC

By: Graham Gibson

Original Lending Affiliates

BANK OF AMERICA, N.A.

By: Brandon Bolio

BNP PARIBAS

By: S. Duranti S. Gates

Exiting Lenders

BRANCH BANKING & TRUST (BB&T)

By: Jill Hamilton

DEUTSCHE BANK AG, LONDON BRANCH

By: David Garcia-Capel Violaine Averous

HSBC BANK FRANCE MILAN BRANCH

By: Monika Kordas

HSBC BANK PLC

By: Michael Wilkins

ROYAL BANK OF CANADA

By: Sheena Lee

SOCIÉTÉ GÉNÉRALE

By: Stephane Hild

MUFG BANK, LTD.

By: George Stoecklein

THE ROYAL BANK OF SCOTLAND PLC

By: Graham Gibson

UBS AG, LONDON BRANCH

By: Tina Dewey Judith Campbell

US BANK NATIONAL ASSOCIATION

By: Rooney S Winters

WELLS FARGO BANK, NATIONAL ASSOCIATION

By: Scott Degler

Exiting Lender

CITIBANK, N.A., MILAN BRANCH

By: Matteo Perfetti

I, Arnold W. Donald, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carnival Corporation;
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.

Date: September 26, 2019

By: /s/ Arnold W. Donald

Arnold W. Donald

President and Chief Executive Officer

I, David Bernstein, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carnival Corporation;
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.

Date: September 26, 2019

By: /s/ David Bernstein

David Bernstein

Chief Financial Officer and Chief Accounting Officer

I, Arnold W. Donald, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carnival plc;
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.

Date: September 26, 2019

By: /s/ Arnold W. Donald

Arnold W. Donald

President and Chief Executive Officer

I, David Bernstein, certify that:

1. I have reviewed this quarterly report on Form 10-Q of Carnival plc;
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.

Date: September 26, 2019

By: /s/ David Bernstein

David Bernstein

Chief Financial Officer and Chief Accounting Officer

In connection with the Quarterly Report on Form 10-Q for the quarter ended August 31, 2019 as filed by Carnival Corporation with the Securities and Exchange Commission on the date hereof (the "Report"), I certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934;
and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Carnival Corporation.

Date: September 26, 2019

By: /s/ Arnold W. Donald
Arnold W. Donald
President and Chief Executive Officer

In connection with the Quarterly Report on Form 10-Q for the quarter ended August 31, 2019 as filed by Carnival Corporation with the Securities and Exchange Commission on the date hereof (the "Report"), I certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934;
and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Carnival Corporation.

Date: September 26, 2019

By: /s/ David Bernstein

David Bernstein

Chief Financial Officer and Chief Accounting Officer

In connection with the Quarterly Report on Form 10-Q for the quarter ended August 31, 2019 as filed by Carnival plc with the Securities and Exchange Commission on the date hereof (the "Report"), I certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Carnival plc.

Date: September 26, 2019

By: /s/ Arnold W. Donald

Arnold W. Donald

President and Chief Executive Officer

In connection with the Quarterly Report on Form 10-Q for the quarter ended August 31, 2019 as filed by Carnival plc with the Securities and Exchange Commission on the date hereof (the "Report"), I certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that:

- (1) The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
- (2) The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of Carnival plc.

Date: September 26, 2019

By: /s/ David Bernstein

David Bernstein

Chief Financial Officer and Chief Accounting Officer

